



**AUDIT OF OFFICE ON VIOLENCE AGAINST WOMEN GRANTS  
AWARDED TO THE COEUR D'ALENE TRIBE  
PLUMMER, IDAHO**

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

Audit Report GR-60-12-008  
March 2012

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# **AUDIT OF OFFICE ON VIOLENCE AGAINST WOMEN GRANTS AWARDED TO THE COEUR D'ALENE TRIBE PLUMMER, IDAHO**

## **EXECUTIVE SUMMARY<sup>1</sup>**

The Office of the Inspector General, Audit Division, has completed an audit of Grant Numbers 2005-WR-AX-0004, 2006-WI-AX-0032, 2007-TW-AX-0075, 2009-TW-AX-0054, and 2009-WH-AX-0054 awarded by the Office on Violence Against Women (OVW), to the Coeur d'Alene Tribe in the cumulative amount of \$1,985,252 for the operation of the Coeur d'Alene STOP Violence Against Indian Women Program (STOP Program).

According to the OVW website, their mission is to provide federal leadership in developing the nation's capacity to reduce violence against women and administer justice for and strengthen services to victims of domestic violence, dating violence, sexual assault, and stalking. In recognition of the severity of the crimes associated with domestic violence, dating violence, sexual assault, and stalking, Congress passed the Violence Against Women Act of 1994 (VAWA) as part of the Violent Crime Control and Law Enforcement Act of 1994. VAWA is a comprehensive legislative package designed to end violence against women and was reauthorized in both 2000 and 2005. The OVW was created specifically to implement VAWA and subsequent legislation. The OVW administers financial and technical assistance to communities around the country to facilitate the creation of programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking.

According to the Coeur d'Alene Tribe's website, the STOP Program was started by the Social Service Department in 1997. The program provides services to all adult Native Americans or their significant others living on the Coeur d'Alene Reservation who have been or who are presently victims of domestic violence, sexual assault, elder abuse, or stalking. The mission of the STOP Program is to break the cycle of violence, sexual assault, elder abuse, and stalking through awareness and intervention and developing partnerships within the

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<sup>1</sup> The Coeur d'Alene Tribe's response to this report contains the identity of one individual that may implicate the privacy rights of that individual. Therefore, the Office of the Inspector General redacted that person's name to create this public version of the report.

community and other programs. The goals of the STOP program are to provide the best possible services, in a timely manner, with respect, fairness, and courtesy to all victims of domestic violence and their children and to sustain the program by continuously seeking avenues of funding to provide essential services to victims as well as enhance them.

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

As shown in Exhibit 1, the Coeur d'Alene Tribe was awarded a total of \$1,985,252 through 5 grants.

**EXHIBIT 1. OVW GRANTS AWARDED TO THE COEUR D'ALENE TRIBE**

GRANT AWARD	AWARD DATE	AWARD END DATE	AWARD AMOUNT
2005-WR-AX-0004	08/01/2005	07/31/2008	\$ 366,452
2006-WI-AX-0032	09/01/2006	07/31/2009	\$ 150,000
2007-TW-AX-0075	09/01/2007	03/31/2011	\$ 400,000
2009-TW-AX-0054	10/01/2009	09/30/2012	\$ 818,800
2009-WH-AX-0054	09/01/2009	08/31/2012	\$ 250,000
<b>Total:</b>			<b>\$ 1,985,252</b>

Source: OJP Grants Management System (GMS)

We examined the Coeur d'Alene Tribe's accounting records, financial and progress reports, and operating policies and procedures, and found:

- drawdowns were properly deposited, and were generally either equal to or cumulatively less than the actual expenditures per accounting records;
- the Financial Reports were generally submitted in a timely manner and generally cumulatively accurate;
- the Progress Reports were submitted in a timely manner and generally accurately;
- no indication that the Coeur d'Alene Tribe's STOP Program has not been on track to accomplish the goals and objectives of the grants; and
- the Coeur d'Alene Tribe is sufficient at monitoring their contractors.

The Coeur d'Alene Tribe's policies and procedures provided for segregation of duties, transaction traceability, and system security. However, we identified internal control weaknesses, which resulted in unsupported indirect costs and unallowable grant expenditures. Specifically, we found:

- Expenditures exceeded the approved budgets in multiple budget categories, for two grants these amounts exceeded the ten percent threshold allowed in the *OJP Financial Guide*, by \$55,560;
- Transactions charged to budget categories that were not included in the approved budgets, totaling \$2,560;
- Compensation to an unapproved position, totaling \$171,865; and
- Unsupported indirect cost charges, totaling \$10,446;

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 Numbers 2005-WR-AX-0004, 2006-WI-AX-0032, 2007-TW-AX-0075, 2009-TW-AX-0054, and 2009-WH-AX-0054 awarded by the Office on Violence Against Women (OVW), to the Coeur d'Alene Tribe in the cumulative amount of \$1,985,252 for the operation of the Coeur d'Alene STOP Violence Against Women Program (STOP Program).

According to the Coeur d'Alene website the STOP Program is dedicated to breaking the cycle of violence, sexual assault, elder abuse, and stalking through awareness and intervention and developing partnerships within the community and other programs. It is the purpose of the STOP Program to provide confidential victim advocacy, safe shelter and compassion while promoting one's dignity and respect for cultural beliefs. Domestic violence, sexual assault, elder abuse, and stalking are not traditional to the Coeur d'Alene Tribe's cultural teachings and indigenous way of life. One goal of the STOP Program is to provide the best possible services, in a timely manner, with respect, fairness, and courtesy to all victims of domestic violence and their children. Another goal of the STOP Program is to sustain the program by continuously seeking avenues of funding to provide essential services to victims as well as enhance them.

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

shown in Exhibit 1, the Coeur d'Alene Tribe was awarded a total of \$1,985,252 to implement the grants.

**EXHIBIT 1. OVW GRANTS AWARDED TO THE COEUR D'ALENE TRIBE**

GRANT AWARD	AWARD DATE	AWARD END DATE	AWARD AMOUNT
2005-WR-AX-0004	08/01/2005	07/31/2008	\$ 366,452
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<b>Total:</b>			<b>\$ 1,985,252</b>

Source: OJP Grants Management System (GMS)

**Background**

According to the OVW website, their mission is to provide federal leadership in developing the nation's capacity to reduce violence against women and administer justice for and strengthen services to victims of domestic violence, dating violence, sexual assault, and stalking. In recognition of the severity of the crimes associated with domestic violence, dating violence, sexual assault, and stalking, Congress passed the Violence Against Women Act of 1994 (VAWA) as part of the Violent Crime Control and Law Enforcement Act of 1994. VAWA is a comprehensive legislative package designed to end violence against women and was reauthorized in both 2000 and 2005. The OVW was created specifically to implement VAWA and subsequent legislation. The OVW administers financial and technical assistance to communities around the country to facilitate the creation of programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking.

*OVW Grant Programs*

The Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program (Rural Program) enhances the safety of children, youth, and adults who are victims of domestic violence, dating violence, sexual assault, and stalking by supporting projects uniquely designed to address and prevent these crimes in rural jurisdictions. The Rural Program encourages collaboration between victim advocates, law enforcement officers, pre-trial service personnel, prosecutors, judges and other court personnel, probation and parole

officers, and faith based and/or community-based leaders to overcome the problems of domestic violence, dating violence, sexual assault, and stalking and ensure that victim safety is paramount in providing services to victims and their children. The Rural Program strengthens the safety of victims of domestic violence, dating violence and child abuse living in rural areas by creating and enhancing collaborative partnerships between criminal justice agencies, victim services providers and community organizations to respond to crimes of domestic violence, dating violence and child abuse, and to provide services to the victims of such violence.

The STOP Violence Against Indian Women Discretionary Grant Program assists Indian tribal governments in developing and strengthening tribal justice systems' responses to violent crimes committed against Indian women. This program supports the development of strategies and innovative approaches to provide services to Indian women who are victims of domestic violence, dating violence, sexual assault, and stalking. Its purpose is also to strengthen tribal law enforcement, prosecution efforts and tribal courts, where they exist.

The Grants to Indian Tribal Governments Program (Tribal Governments Program) was created in Title IX of the VAWA of 2005. The Tribal Governments Program is designed to fulfill the three goals of Title IX: (1) to decrease the incidence of violent crime against Indian women; (2) to strengthen the capacity of Indian tribes to exercise their sovereign authority to respond to violent crimes committed against Indian women; and (3) to ensure that perpetrators of violent crimes committed against Indian women are held accountable for their criminal behavior. The Tribal Governments Program has multiple goals and awards funds to:

- develop and enhance effective plans for tribal governments to respond to violence committed against Indian women;
- strengthen the tribal criminal justice system;
- improve services available to help Indian women who are victims of violence;
- create community education and prevention campaigns;
- address the needs of children who witness domestic violence;
- provide supervised visitation and safe exchange programs;

- provide transitional housing assistance; and
- provide legal advice and representation to survivors of violence who need assistance with legal issues caused by the abuse or the violence they suffered.

The Transitional Housing Assistance Program Grant for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault Program (Transitional Housing Program) focuses on a holistic, victim-centered approach to provide transitional housing services that move individuals into permanent housing. The primary purpose of the Transitional Housing Program is to provide assistance to victims of domestic violence, dating violence, sexual assault, and stalking who are homeless, or in need of transitional housing, or other housing assistance, including short-term housing assistance and supportive services; and for whom emergency shelter services or other crisis intervention services are unavailable or insufficient.

#### *Coeur d'Alene Tribe*

According to the Coeur d'Alene Tribe's website, the Coeur d'Alene Indian Tribe has a current enrollment of over 2,190 members. The tribe has sovereign authority on a reservation covering 345,000 acres of mountains, lakes, timber and farmland, spanning the western edge of the northern Rocky Mountains and the abundant Palouse country. Also, as stated on the Tribe's website, the Coeur d'Alene Tribe has been in this homeland for many thousands of years. The original homeland spans almost five million acres, stretching from Montana in the east to the Spokane River Valley in present day Washington State, from near the Canadian border in the north to near the confluence of the Snake and Clearwater Rivers in north Idaho. Tribal traditions include a respect and reverence for natural law, and create a powerful voice for responsible environmental stewardship.

Additionally, the STOP Program was started by the Tribe's Social Service Department in 1997. The program provides services to all adult Native Americans or their significant others living on the Coeur d'Alene Reservation who have been or who are presently victims of domestic violence, sexual assault, elder abuse, or stalking. Also according to the Coeur d'Alene Tribe's website, it is the purpose of the Program to provide confidential victim advocacy, safe shelter and compassion while promoting one's dignity and respect for cultural beliefs.

The mission of the STOP Program is to break the cycle of violence, sexual assault, elder abuse, and stalking through awareness and intervention and developing partnerships within the community and other programs. The goals of the STOP program are to provide the best possible services, in a timely manner, with respect, fairness, and courtesy to all victims of domestic violence and their children and to sustain the program by continuously seeking avenues of funding to provide essential services to victims as well as enhance them.

## **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 Financial Guide* and the award documents. We tested the Coeur d'Alene Tribe's:

- **internal control environment** to determine whether the internal controls in place for the processing and payment of funds were adequate to safeguard grant funds and ensure compliance with the terms and conditions of the grants;
- **grant drawdowns** to determine whether grant drawdowns were adequately supported and if the Coeur d'Alene Tribe was managing grant receipts in accordance with federal requirements;
- **grant budget management and controls** to determine if cumulative expenditures were in the normal confines of the grant budgets;
- **grant expenditures** to determine the accuracy and allowability of costs charged to the grants;
- **Financial Reports and Progress Reports** to determine if the required Financial Reports and Progress Reports were submitted on time and accurately reflect grant activities;
- **grant objectives and accomplishments** to determine if the Coeur d'Alene Tribe met or is capable of meeting the grants' objectives; and

- **management of contractors** to determine how the Coeur d'Alene Tribe administered pass through funds.

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.

## **FINDINGS AND RECOMMENDATIONS**

We determined that the Coeur d'Alene Tribe's policies and procedures provided for segregation of duties, transaction traceability, and system security. We also found that the Coeur d'Alene Tribe was generally in compliance in the following areas: drawdowns, financial reports, Progress Reports, and the monitoring of contractors. Additionally, we did not find any indication that the Coeur d'Alene Tribe has not been on track to accomplish the goals and objectives of the grants. However, during our review, we identified internal control weaknesses, which resulted in unallowable direct costs totaling \$55,560 due to excess expenditures in approved budget categories over ten percent of total award amounts, as well as unallowable costs totaling \$2,560 in expenditures to unapproved budget categories, compensation to an unapproved personnel position totaling \$171,865, and \$10,446 in excess indirect cost charges.

### **Internal Control Environment**

We reviewed the Coeur d'Alene Tribe's financial management system, policies and procedures, and Single Audit Reports to assess the Coeur d'Alene Tribe's risk of non-compliance to laws, regulations, guidelines, and terms and conditions of the grant. We also interviewed Coeur d'Alene officials regarding payroll, purchasing, and accounts payable to further assess risk.

#### *Single Audit*

According to OMB Circular A-133, non-federal entities that expend \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in a year in federal awards shall have a single or program-specific audit conducted for that year. According to the schedule of federal expenditures in the single audit for year ended September 30, 2010, expenditures of federal awards totaled \$16,033,163. Therefore, the Coeur d'Alene Tribe was required under OMB Circular A-133 to have a single audit performed. According to the audit report, the auditors did not identify any deficiencies in internal control over financial reporting that they considered to be material weaknesses. However, they identified a significant deficiency in internal control over financial reporting. Specifically, over the course of the audit, several significant adjusting journal entries were required to fairly state the Tribe's general ledger accounts. The report also stated that a majority of these entries were due to the Tribe's software

conversion process and transitioning prior balances onto the new software. Included in the audit report, was a response to the audit report from the Coeur d'Alene Tribe. According to the response:

"The Tribe concurs with this finding. As mentioned in [the finding noted above], the Tribe converted to its new accounting software package on October 1, 2009. The transition to [the new accounting software package], as with most computer conversions, was not without its share of difficulties, setbacks and a steep learning curve. We are confident, however, that as our experience grows with [the new accounting software package] and our processes continue to evolve, our ability to provide accurate and timely financial information to management will improve significantly over the coming months. In addition, the Tribe has begun implementing additional procedures to ensure that general ledger balances are reconciled and reviewed on a monthly basis."

#### *Financial Management System*

Based on our review of the Coeur d'Alene Tribe's policies and procedures and interviews with Coeur d'Alene Tribe personnel, we determined that the Coeur d'Alene Tribe's current policies and procedures provided for segregation of duties, transaction traceability, and system security. According to the Coeur d'Alene Tribe accounting policies, there is a signature authority that was established for different types of transactions. For example, a contract or Memorandum of Understanding (MOU) up to \$3,000 can be approved by the Manager or the Department Manager, while transactions from \$3,000 to \$25,000 must be approved by the Department Manager, the Administrative Director, and the Coeur d'Alene Tribal Council. Also, the accounting policies state that all checks issued by the Coeur d'Alene Tribe should be signed by two authorized officials. Coeur d'Alene Tribe accounting policies also state that the Finance office will verify an invoice or bill, which was approved by the requesting department for payment, to the corresponding purchase order. If the order is complete, the purchase order is processed through the payment system. Coeur d'Alene officials also explained that there are restrictions placed in the accounting system in order to keep someone from creating a purchase order for something that was not allowed in the approved grant budget.

Coeur d'Alene officials explained that a new system became active on October 1, 2009. Coeur d'Alene officials commented that the old system was antiquated, had glitches, and a control problem with the software, specifically, unauthorized financial staff could change database information resulting in incorrect balances that subsequently required adjusting entries to correct balances. Coeur d'Alene officials also commented that they did not consider this a fraud risk, but that the adjusting entries were required because there was insufficient communication and personnel would make adjustments they thought should have been made. Coeur d'Alene officials also stated that the new system locks each person out where they should not have access. Also, during our audit we identified several weaknesses in the Coeur d'Alene Tribe's policies and procedures, which resulted in: unsupported indirect costs, unallowable grant expenditures, and expenditures that exceeded the ten percent threshold allowed in the *OJP Financial Guide*. These discrepancies are outlined in more detail in the remainder of this report.

## **Drawdowns**

Coeur d'Alene officials stated that drawdowns are based on reimbursements of actual expenditures from the accounting records. Coeur d'Alene officials stated that at the end of each month or quarter, they will use the income statement to determine how much was spent (for each grant) and request that amount. Coeur d'Alene officials also stated that the Chief Financial Officer (CFO) or the Financial Director approves these requests. We verified that the drawdown amounts per OVW records matched the amount listed in the bank statement documents obtained from Coeur d'Alene officials. Consequently, we noted no discrepancies and determined that the drawdowns were properly deposited.

According to the *OJP Financial Guide*, award 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. We reviewed the accounting records and compared drawdowns to the actual expenditures and found that generally drawdowns were either cumulatively less than the actual expenditures, or equaled actual expenditures, per accounting records. As such, we found no material discrepancies in regards to the Coeur d'Alene Tribe's drawdowns for the grants reviewed.

## Budget Management and Control

According to the *OJP Financial Guide*, movement of dollars between approved budget categories without a Grant Adjustment Notice (GAN) is allowable up to ten percent of the total award amount for awards greater than \$100,000. As noted in Exhibit 1, the Coeur d'Alene Tribe received five awards; each award was greater than \$100,000. We compared the approved budgets for this award to the actual expenditures as shown in the Coeur d'Alene Tribe's accounting systems.<sup>1</sup> Coeur d'Alene officials stated that the Program Manager was responsible for maintaining the grant budgets and that the accounting system would not allow a purchase order to be approved if funds for a budgeted item were not available.

As shown in Exhibit 2, we determined that grant expenditures exceeded multiple budget categories in excess of ten percent of the total award amount for grants 2005-WR-AX-0004 and 2007-TW-AX-0075. Also, as shown in the Personnel costs section of the report, grants 2005-WR-AX-0004 and 2007-TW-AX-0075 had one position in the approved budget, an advocate. However, we noted during our analysis, that the salary costs associated with the Program Manager/Advocate of the Coeur d'Alene Tribe STOP Program had also been reimbursed from the grant in addition to the advocate. We believe that this may be a significant cause why the expenditures in the personnel category were significantly over what was budgeted, as well as why expenditures exceeded the ten percent threshold for grants 2005-WR-AX-0004 and 2007-TW-AX-0075 (since personnel costs make up nearly 88 percent of the total over budget amount for grant 2005-WR-AX-0004 and 93 percent of the total over budget amount for grant 2007-TW-AX-0075).

Therefore, we determined that \$55,560 in expenditures from grants 2005-WR-AX-0004 and 2007-TW-AX-0075 were unallowable because these expenditures were in excess of the ten percent threshold per the *OJP Financial Guide*. However, as previously noted, personnel costs make up a substantial amount of the total over budget expenditures for grants 2005-WR-AX-0004 and 2007-TW-AX-0075. Therefore, to ensure that questioned costs are not double counted; we did not include the \$55,560 in unallowable costs in our dollar-related findings since a majority of these costs are included in the questioned costs mentioned in the Personnel section of this report. The Program

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<sup>1</sup> It should be noted that actual expenditures were based on Coeur d'Alene officials' descriptions of account codes in their accounting systems.

Manager explained that she did not focus as much on payroll and fringe benefits (salaries and fringe benefits) since they are relatively the same amount each time and that she focused more on what was being submitted using purchase orders. We also noted that expenditures for grants 2006-WI-AX-0032, 2009-WH-AX-0054, and 2009-TW-AX-0054 did not exceed the ten percent threshold allowed in the *OJP Financial Guide*.

**EXHIBIT 2. BUDGET MANAGEMENT AND CONTROL<sup>2</sup>**

<b>COST CATEGORY<sup>3</sup></b>	<b>GRANT BUDGET</b>	<b>ACTUAL COSTS</b>	<b>AMOUNT OVER BUDGET</b>
<b>Grant 2005-WR-AX-0004 (10-percent threshold is \$36,645)</b>			
Personnel	\$ 64,051	\$ 116,437	\$ 52,386
Fringe Benefits	25,620	26,365	745
Travel	29,860	24,207	-
Equipment	7,602	6,189	-
Supplies	3,860	10,082	6,222
Construction	-	-	-
Consultants/Contracts	198,600	123,025	-
Other	940	1,428	488
<b>TOTAL DIRECT COSTS</b>	<b>\$ 330,533</b>	<b>\$ 307,733</b>	<b>\$ 59,841</b>
Indirect Costs	\$ 35,919	\$ 58,529	N/A
<b>TOTAL COSTS</b>	<b>\$ 366,452</b>	<b>\$ 366,262</b>	<b>\$ 59,841</b>
<b>COSTS IN EXCESS OF 10-PERCENT THRESHOLD:</b>			<b>\$ 23,196</b>

<sup>2</sup> Differences in total amounts are due to rounding. The sum of individual numbers prior to rounding may differ from the sum of the individual numbers rounded.

<sup>3</sup> It should be noted that indirect costs were not factored into our budget analysis. Indirect costs were included to illustrate total costs when compared to total grant budgets. Our analysis of indirect costs is noted further in this report.

<b>Grant No. 2007-TW-AX-0075 (10 percent threshold is \$40,000)</b>			
Personnel	\$ 105,000	\$ 172,212	\$ 67,212
Fringe Benefits	42,000	44,628	2,628
Travel	15,000	14,784	-
Equipment	-	-	-
Supplies	1,037	3,562	2,525
Construction	-	-	-
Consultants/Contracts	181,080	108,676	-
Other	4,000	3,981	-
<b>TOTAL DIRECT COSTS</b>	<b>\$ 348,117</b>	<b>\$ 347,843</b>	<b>\$ 72,364</b>
Indirect Costs	\$ 51,883	\$ 52,157	N/A
<b>TOTAL COSTS</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 72,364</b>
<b>COSTS IN EXCESS OF 10-PERCENT THRESHOLD:</b>			<b>\$ 32,364</b>
<b>TOTAL COSTS IN EXCESS OF 10-PERCENT THRESHOLD:</b>			<b>\$ 55,560</b>

Source: OJP Grants Management System (GMS) and the Coeur d'Alene Tribe

As shown in Exhibit 3, we also determined that grant funds were used to pay for consultants and/or contractors in grants 2006-WI-AX-0032 and 2009-WH-AX-0054 when the consultants/contractors budget category was not included in the approved budgets. Therefore, we determined that the \$2,560 in funds that were used to pay for consultants and/or contractors to be unallowable because these expenditures were not within the scope of the approved grant budgets. We also recommend that Coeur d'Alene officials provide additional budget oversight and/or additional budget training for the STOP Program Manager to ensure that grant expenditures are in approved budget categories and that grant expenditures are within the ten percent threshold per the *OJP Financial Guide*.

**EXHIBIT 3. EXPENDITURES IN BUDGET CATEGORIES NOT INCLUDED IN GRANT BUDGETS**

<b>COST CATEGORY</b>	<b>GRANT BUDGET</b>	<b>ACTUAL COSTS</b>
<b>Grant No. 2006-WI-AX-0032</b>		
Personnel	\$ 69,751	\$ 82,201
Fringe Benefits	27,900	19,562
Travel	10,010	10,280
Equipment	-	-
Supplies	1,501	7,420
Construction	-	-
Consultants/Contracts	-	960
Other	1,068	2,285
<b>TOTAL DIRECT COSTS</b>	<b>\$ 110,230</b>	<b>\$ 122,709</b>
Indirect Costs	\$ 35,906	\$ 26,965
<b>TOTAL COSTS</b>	<b>\$ 146,136</b>	<b>\$ 149,674</b>
<b>Grant No. 2009-WH-AX-0054</b>		
Personnel	\$ 100,628	\$ 24,725
Fringe Benefits	40,252	15,598
Travel	25,500	9,417
Equipment	5,006	4,868
Supplies	8,000	3,492
Construction	-	-
Consultants/Contracts	-	1,600
Other	29,000	21,846
<b>TOTAL DIRECT COSTS</b>	<b>\$ 208,386</b>	<b>\$ 81,547</b>
Indirect Costs	\$ 41,614	\$ 16,121
<b>TOTAL COSTS</b>	<b>\$ 250,000</b>	<b>\$ 97,667</b>
<b>TOTAL EXPENDITURES IN UNAPPROVED BUDGET CATEGORIES:</b>		<b>\$2,560</b>

Source: OJP Grants Management System (GMS) and the Coeur d'Alene Tribe

**Grant Expenditures**

We reviewed the general ledger accounts designated for grant funds and selected a judgmental sample of 139 transactions, totaling \$232,160. During our testing, we identified two transactions that were not within the scope of the approved grant budgets, and therefore, unallowable. We found that one transaction paid using grant 2007-TW-AX-0075 was for transitional housing although transitional housing activities were not included in the grant application or budget for that grant. We determined that the amount of this transaction was immaterial (\$600). Also, as mentioned previously in our budget analysis, we noted a transaction totaling \$1,600 was for contractor services for funds from grant 2009-WH-AX-0054, which did not have any contractors included in the approved grant budget. The Program Manager, who approved these transactions, stated that she had made errors on both transactions

and that they should have been charged to different grants.

As previously mentioned in the Budget Management and Control section of this report, we recommend that Coeur d'Alene officials provide additional budget oversight and/or additional budget training for the STOP Program Manager to ensure that grant expenditures are in approved budget categories and that grant expenditures are within the ten percent threshold per the *OJP Financial Guide*. Details regarding these costs can be found in Appendix III. With exception to the occurrences noted above, we found that the transactions reviewed were generally properly authorized, classified, supported, and charged to the cooperative agreement.

### *Personnel Costs*

We noted that each of the five OVW grants reviewed included personnel and fringe benefits in their budgets. For each grant, we reviewed supporting documentation for two non-consecutive pay periods of personnel and fringe benefit costs charged to each of the grants to determine: (1) if the positions appeared reasonable with the stated intent of the program, (2) whether their salaries were within a reasonable range, and (3) if the positions were consistent with grant budgets. We also traced salary costs to timesheets in order to verify that labor charges were computed correctly, properly authorized, accurately recorded, and properly allocated to the grant.

An advocate position was the only position approved for grants 2005-WR-AX-0004 and 2007-TW-AX-0075. The Program Manager had explained that initially, she was required to perform advocate duties because they were having significant difficulties in hiring one. However, we noted in our analysis that the Program Manager continued to charge time to the grant after an advocate had been hired. As mentioned previously in the Budget Management and Control section of this report, we believe that charges for the Program Manager's time were a significant factor contributing to grants 2005-WR-AX-0004 and 2007-TW-AX-0075, having expenditures in excess of the ten percent threshold allowed in the *OJP Financial Guide*. Since the Program Manager position was not included in the OVW-approved budgets for grants 2005-WR-AX-0004 and 2007-TW-AX-0075, we are questioning \$171,865 in salaries, and fringe benefits associated with this position for these grants as unallowable. Details regarding these costs can be found in Appendix IV. With exception to the occurrence noted above, we determined that for the pay periods selected, labor charges were

computed correctly, properly authorized, accurately recorded, and properly allocated to the grant.

### *Indirect Costs*

According to the budgets for all five grants, indirect costs were approved for the Coeur d'Alene Tribe. According to documentation provided by Coeur d'Alene officials, indirect cost rates are determined by negotiating through the National Business Center, Department of Interior. Coeur d'Alene officials also explained that they analyze the two preceding years in order to negotiate the current year indirect cost rate and that the Coeur d'Alene Tribe (as of the date our fieldwork) was still using the 2009 indirect cost rate. According to the indirect cost allocations, the rate covers a base which includes total direct costs, less capital expenditures and pass through funds.<sup>4</sup> We compared this methodology to the methodology used in the approved grant budgets and we noted that contractor costs were not included in the indirect costs calculation. We also noted that payments to participants, stipends to recipients, and sub grants were not part of the STOP Program grants. Therefore, we determined that the methods used in the approved budgets were consistent with the approved indirect cost rate agreements.

In order to calculate indirect costs for grant reimbursement, Coeur d'Alene officials explained that they take total expenditures (year-to-date) and subtract exclusions in order to obtain a cumulative indirect cost pool as of the date of the indirect cost entry. Second, this amount is then multiplied by the indirect cost rate in order to get the total indirect costs as of the date of the entry. Third, Coeur d'Alene officials subtract all previous indirect cost entries for that year in order to calculate an amount to use for the current indirect cost entry. Coeur d'Alene officials also stated that at the end of the fiscal year, they will compare the amount of indirect costs charged to the grant to the amount that should have been charged and perform an adjusting entry in order to arrive at the correct cumulative annual indirect cost amount.

Coeur d'Alene officials stated that they use this method because in the old system they were not able to close a previous month's accounting records and that it was possible to make a retroactive

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<sup>4</sup> Pass through funds are normally defined as major subcontracts, payments to participants, stipends to eligible recipients, and subgrants, all of which normally require minimal administrative effort.

expenditure entry into a previous month that would not be factored into the indirect cost calculation. They also explained that they still perform this method in the new accounting system (even though they are able to close a previous month's books) to ensure that all costs are factored into the indirect cost calculation.

Therefore, in our testing of the financial records for indirect costs charged to the grant, we took a summation of indirect cost charges each year for each grant and compared it to the indirect cost charges that were allowed using the approved indirect cost rate and applicable expenditures per the indirect cost rate agreements. We also noted that if any of the annual costs were materially different from what was allowed (above or below), we performed more detailed testing for that year in order to determine where the difference originated. During our testing, we noted two instances where cumulative indirect cost charges were over what was allowed per the indirect cost agreements by a material amount.

First, as shown in Exhibit 4, we noted that indirect costs in grant 2005-WR-AX-0004 for the fiscal year ending September 30, 2008, were exceeded what was allowed per the indirect cost agreement by \$7,437. We had noted the cumulative difference between what was charged and what was allowed continually increased. At the end of July 2008, there was an adjusting entry, crediting the indirect cost account by \$7,057. However, we also noted a reversing entry for this adjusting entry that was made the same day. Therefore, we consider \$7,437 in indirect cost charges to be unsupported, due to a lack of entries that would support the overage of indirect costs.

**EXHIBIT 4. GRANT NUMBER 2005-WR-AX-0004 FY 2008  
INDIRECT COST CHARGES IN DETAIL**

<b>Transaction Date</b>	<b>Transaction Description</b>	<b>Debit Entry (Credit Entry)</b>	<b>Indirect Cost Pool/Basis</b>	<b>Indirect Cost Charge Allowed<sup>5</sup></b>	<b>Cumulative Difference</b>
10/31/2007	OCT07 INDIRECT CHRG	\$1,847	\$ 5,882	\$1,175	\$ (672)
12/31/2007	NOV-DEC07 INDIRECT CHRG	3,845	15,011	2,998	(1,520)
1/31/2008	JAN08 INDIRECT CHRG	1,924	5,764	1,151	(2,293)
2/29/2008	FEB08 INDIRECT CHRG	2,577	5,858	1,170	(3,700)
3/31/2008	MAR08 INDIRECT CHRG	1,852	6,163	1,231	(4,322)
5/31/2008	APR-MAY INDIRECT CHRG	5,509	18,926	3,780	(6,051)
6/30/2008	JUN08 INDIRECT CHRG	2,194	7,068	1,412	(6,833)
7/31/2008	FY08 IDC ADJ TO ACTUAL	(7,057)	(3,022)	(603)	(380)
7/31/2008	RVS IDC ADJ ERR	7,057	-	-	(7,437)
<b>TOTALS</b>		<b>\$ 19,748</b>	<b>\$ 61,650</b>	<b>\$ 12,311</b>	<b>\$ (7,437)</b>

Source: Coeur d'Alene Tribe

Second, as shown in Exhibit 5, we noted that indirect costs in grant 2007-TW-AX-0075 for the fiscal year ending September 30, 2009, exceeded the allowable amount by \$3,009. When we expanded our view of fiscal year (FY) 2009 indirect expenditures, we noted that until September 2009, the cumulative difference between what was charged and what was allowed was immaterial. However, on September 30, 2009, there was an adjusting entry for \$6,675. As a result, indirect charges were cumulatively over what was allowed by \$3,009. Therefore, we consider this amount to be unsupported, due to a lack of entries that would support the overage of indirect costs.

<sup>5</sup> As noted in the indirect cost allocations, the indirect cost rate for the fiscal year ending September 30, 2008, was 19.97 percent.

**EXHIBIT 5. GRANT NUMBER 2007-TW-AX-0075 FY 2009  
INDIRECT COST CHARGES IN DETAIL**

Transaction Date	Transaction Description	Debit Entry (Credit Entry)	Indirect Cost Pool/Basis	Indirect Cost Charge Allowed <sup>6</sup>	Cumulative Difference
11/30/2008	OCT-NOV08 INDIRECT CHRG	\$ 1,288	\$ 7,401	\$ 1,522	\$ 234
12/31/2008	DEC08 INDIRECT CHRG	964	4,843	996	266
1/31/2009	JAN09 INDIRECT CHRG	659	2,329	479	86
2/28/2009	FEB09 INDIRECT CHRG	1,383	6,904	1,420	124
3/31/2009	MAR09 INDIRECT CHRG	5,113	25,607	5,267	277
4/30/2009	APR09 INDIRECT CHRG	2,624	13,525	2,782	436
5/31/2009	MAY09 INDIRECT CHRG	2,072	14,740	3,032	1,396
6/30/2009	JUN09 INDIREC CHRG	2,178	10,571	2,174	1,392
7/31/2009	JUL09 INDIRECT CHRG	3,284	12,047	2,478	586
8/31/2009	AUG09 INDIRECT CHRG	2,110	10,509	2,162	638
9/30/2009	FY09 INDIRECT CHRG ADJ	6,675	14,724	3,029	(3,009)
<b>TOTALS</b>		<b>\$ 28,351</b>	<b>\$ 123,199</b>	<b>\$ 25,342</b>	<b>\$ (3,009)</b>

Source: Coeur d'Alene Tribe

We noted that in FY 2008, grant 2005-WR-AX-0004 had indirect cost charges in excess of what was allowed by \$7,437. We also noted that in FY 2009, grant 2007-TW-AX-0075 had indirect cost charges in excess of what was allowed by \$3,009. Therefore, we question unsupported costs totaling \$10,446 as unsupported. Coeur d'Alene officials also explained that the Coeur d'Alene Tribe had used the most recently approved rate for its monthly indirect cost calculations. For example, Coeur d'Alene officials explained that the approved rate for FY 2008 was 19.97%. This rate, however, wasn't used by Coeur d'Alene Tribe officials until after it was officially approved on September 15, 2008. Through the end of the fiscal year, Coeur d'Alene Tribe officials used the 2007 approved rate of 31.15% for grant 2005-WR-AX-0004, which resulted in the overcharge of indirect by the end of the fiscal year. A correcting entry was made,

<sup>6</sup> As noted in the indirect cost allocations, the indirect cost rate for the fiscal year ending September 30, 2008, was 19.97 percent.

but was reversed and a follow up correcting entry using the newly approved rate of 19.97% was not made. We also noted that indirect costs charges for grants 2009-TW-AX-0054 and 2009-WH-AX-0054 were calculated correctly.

## **Reports**

We reviewed the Financial Reports, and Categorical Assistance Progress Reports (Progress Reports), and found that Financial Reports were generally submitted in a timely manner and generally cumulatively accurate. We also determined that the Progress Reports were generally submitted accurately and in a timely manner.

### *Financial Reports*

For financial reporting prior to October 1, 2009, the *OJP Financial Guide* states that Financial Status Reports (FSRs) should be submitted online no later than 45 days after the last day of each quarter. The *OJP Financial Guide* also states that effective for the quarter beginning October 1, 2009, instead of using FSRs, grant recipients must report expenditures online using the Federal Financial Report no later than 30 days after the end of each calendar quarter. We reviewed a sample of the last four financial reports submitted (as of the date of our fieldwork) and, as shown in Exhibit 6 below, we determined that, 4 of the 20 financial reports reviewed were not submitted timely. However, we noted that the lateness of these reports was not material.

## EXHIBIT 6. FINANCIAL REPORT HISTORY

REPORT No.	REPORT PERIOD FROM - To DATES	DUE DATES	DATE SUBMITTED	DAYS LATE
<b>Grant No. 2005-WR-AX-0004</b>				
10	10/01/2007 - 12/31/2007	2/14/2008	2/22/2008	8
11	01/01/2008 - 03/31/2008	5/15/2008	5/13/2008	0
12	04/01/2008 - 06/30/2008	8/14/2008	8/19/2008	5
13	07/01/2008 - 09/30/2008	12/29/2008	10/30/2008	0
<b>Grant No. 2006-WI-AX-0032</b>				
10	10/01/2008 - 12/31/2008	2/14/2009	1/26/2009	0
11	01/01/2009 - 03/31/2009	5/15/2009	5/11/2009	0
12	04/01/2009 - 06/30/2009	8/14/2009	11/5/2009	N/A <sup>7</sup>
13	07/01/2009 - 07/30/2009	10/28/2009	11/5/2009	8
<b>Grant No. 2007-TW-AX-0075</b>				
11	01/01/2010 - 03/31/2010	4/30/2010	4/30/2010	0
12	04/01/2010 - 06/30/2010	7/30/2010	7/28/2010	0
13	07/01/2010 - 09/30/2010	10/30/2010	11/2/2010	3
14	10/01/2010 - 12/31/2010	3/31/2011	1/25/2011	0
<b>Grant No. 2009-TW-AX-0054</b>				
4	04/01/2010 - 06/30/2010	7/30/2010	7/28/2010	0
5	07/01/2010 - 09/30/2010	10/30/2010	10/29/2010	0
6	10/01/2010 - 12/31/2010	1/30/2011	1/25/2011	0
7	01/01/2011 - 03/31/2011	4/30/2011	4/29/2011	0
<b>Grant No. 2009-WH-AX-0054</b>				
4	04/01/2010 - 06/30/2010	7/30/2010	7/28/2010	0
5	07/01/2010 - 09/30/2010	10/30/2010	10/29/2010	0
6	10/01/2010 - 12/31/2010	1/30/2011	1/25/2011	0
7	01/01/2011 - 03/31/2011	4/30/2011	4/29/2011	0

Source: OJP Grants Management System (GMS)

According to the *OJP Financial Guide*, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each Financial Report. As such, we reviewed the last four submitted financial reports (as of the date of our fieldwork) for accuracy to the grant accounting records.

<sup>7</sup> We noted that the third report reviewed for grant 2006-WI-AX-0032 was not late. According to notations made by OVW officials, this report was added administratively in order to include a revised final report, which is the fourth report reviewed.

**EXHIBIT 7. FEDERAL FINANCIAL REPORT ACCURACY**

REPORT No.	REPORT PERIOD FROM - TO DATES	CUMULATIVE GRANT EXPENDITURES PER REPORT	CUMULATIVE GRANT EXPENDITURES PER ACCOUNTING RECORDS	CUMULATIVE DIFFERENCE BETWEEN REPORTS & ACCOUNTING RECORDS
<b>Grant No. 2005-WR-AX-0004</b>				
10	10/1/2007 - 12/31/2007	\$ 295,185	\$ 297,398	\$ 2,213
11	1/1/2008 - 3/31/2008	327,424	326,575	(849)
12	4/1/2008 - 6/30/2008	366,452	369,284	2,832
13	7/1/2008 - 9/30/2008	366,452	366,262	(190)
<b>Grant No. 2006-WI-AX-0032</b>				
10	10/1/2008 - 12/31/2008	\$ 147,991	\$ 151,304	\$ 3,313
11	1/1/2009 - 3/31/2009	150,000	149,698	(302)
12	4/1/2009 - 6/30/2009	149,674	149,674	0
13	7/1/2009 - 7/30/2009	149,674	149,674	0
<b>Grant No. 2007-TW-AX-0075</b>				
11	1/1/2010 - 3/31/2010	\$ 351,660	\$ 354,416	\$ 2,756
12	4/1/2010 - 6/30/2010	395,102	395,102	0
13	7/1/2010 - 9/30/2010	395,102	400,000	4,898
14	10/1/2010 - 12/31/2010	400,000	400,000	0
<b>Grant No. 2009-TW-AX-0054</b>				
3	4/1/2010 - 6/30/2010	\$ 18,779	\$ 18,779	\$ 0
4	7/1/2010 - 9/30/2010	\$ 81,025	\$ 81,025	0
5	10/1/2010 - 12/31/2010	\$ 158,888	\$ 158,888	0
6	1/1/2011 - 3/31/2011	\$ 230,990	\$ 230,990	0
<b>Grant No. 2009-WH-AX-0054</b>				
4	4/1/2010 - 6/30/2010	\$ 28,190	\$ 28,190	\$ 0
5	7/1/2010 - 9/30/2010	40,669	\$ 40,669	0
6	10/1/2010 - 12/31/2010	60,473	\$ 60,473	0
7	1/1/2011 - 3/31/2011	73,009	\$ 73,009	0

Source: OJP Grants Management System (GMS) and the Coeur d'Alene Tribe

As shown in Exhibit 7, we determined that financial reports were generally accurate when compared to accounting records per reporting period and (with the exception of grant 2005-WR-AX-0004) cumulatively accurate to accounting records. Coeur d'Alene officials explained that when comparing expenditures to financial reports, they might be off due to timing of entries that are entered into the system close to the month's end. We do not take exception to the instances where individual reports were not accurate because these reports are

for grants that are (as of our fieldwork) closed and, as noted above, they were generally cumulative accurate.

*Categorical Assistance Progress Reports*

According to the *OJP Financial Guide*, Categorical Assistance Progress Reports are due semiannually on January 30 and July 30 for the life of the award.

**EXHIBIT 8. CATEGORICAL ASSISTANCE PROGRESS REPORT HISTORY**

REPORT NO.	REPORT PERIOD FROM - TO DATES	DUE DATE	DATE SUBMITTED	DAYS LATE
Grant No. 2005-WR-AX-0004				
4	01/01/2007 - 06/30/2007	07/30/2007	07/16/2007	0
5	07/01/2007 - 12/31/2007	01/30/2008	01/28/2008	0
6	01/01/2008 - 06/30/2008	07/30/2008	07/17/2008	0
7	07/01/2008 - 12/31/2008	03/31/2009	10/17/2008	0
Grant No. 2006-WI-AX-0032				
4	01/01/2008 - 06/30/2008	07/30/2008	07/17/2008	0
5	07/01/2008 - 12/31/2008	01/30/2009	01/28/2009	0
6	01/01/2009 - 06/30/2009	07/30/2009	07/20/2009	0
7	07/01/2009 - 12/31/2009	03/31/2010	09/03/2009	0
Grant No. 2007-TW-AX-0075				
2	07/01/2009 - 12/31/2009	01/30/2010	01/14/2010	0
3	01/01/2010 - 06/30/2010	07/30/2010	07/22/2010	0
4	07/01/2010 - 12/31/2010	01/30/2011	01/13/2011	0
5	01/01/2011 - 06/30/2011	09/28/2011	03/23/2011	0
Grant No. 2009-TW-AX-0054				
1	07/01/2009 - 12/31/2009	01/30/2010	01/12/2010	0
2	01/01/2010 - 06/30/2010	07/30/2010	07/19/2010	0
3	07/01/2010 - 12/31/2010	01/30/2011	01/19/2011	0
4	01/01/2011 - 06/30/2011	07/30/2011	07/14/2011	0
Grant No. 2009-WH-AX-0054				
1	07/01/2009 - 12/31/2009	01/30/2010	01/06/2010	0
2	01/01/2010 - 06/30/2010	07/30/2010	07/19/2010	0
3	07/01/2010 - 12/31/2010	01/30/2011	01/20/2011	0
4	01/01/2011 - 06/30/2011	07/30/2011	07/08/2011	0

Source: OJP Grants Management System (GMS)

To verify the timely submission of Progress Reports, we reviewed the last four Progress Reports submitted for each grant to see if it was submitted timely per the *OJP Financial Guide*. As shown in Exhibit 8, we determined that all Progress Reports reviewed were submitted timely.

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

While reviewing the submitted progress reports, we identified measurable information in the last two Progress Reports submitted for each of the five grants. We selected a judgmental sample of measurable data from these reports and provided this to Coeur d'Alene officials in order to obtain supporting documentation to verify each measure. The items we had selected included education and training activities, victim services, and outcomes from their Batterer Intervention Program (BIP). After reviewing the materials and documentation provided by Coeur d'Alene officials, we determined that the items we selected for verification were completed and were generally reported accurately.

### **Program Performance and Accomplishments**

As mentioned previously, the mission of the STOP Program is to break the cycle of violence, sexual assault, elder abuse, and stalking through awareness and intervention and developing partnerships within the community and other programs. Also, the purposes of the grants awarded to the Coeur d'Alene Tribe include:

- enhancing the safety of children, youth, and adults who are victims of domestic violence, dating violence, sexual assault, and stalking by supporting projects uniquely designed to address and prevent these crimes;
- assisting Indian tribal governments in developing and strengthening tribal justice systems' responses to violent crimes committed against Indian women;
- ensuring that perpetrators of violent crimes committed against Indian women are held accountable for their criminal behavior; and

- providing assistance to victims of domestic violence, dating violence, sexual assault, and stalking who are homeless, or in need of transitional housing, or other housing assistance, including short-term housing assistance and supportive services; and for whom emergency shelter services or other crisis intervention services are unavailable or insufficient.

In order to assess program performance and accomplishments, we assessed the services provided by the STOP Program. We determined that the outreach efforts were directed towards women and children of domestic violence, sexual assault, stalking, child abuse, bullying, and men (to teach men that tribal ways do not include violence against women and children). There were also outreach efforts directed to Law Enforcement Response to Domestic Violence Workshops and Technology and Safety for Victims workshops. Examples of these services include providing counseling and support groups for victims of domestic violence or sexual assault and their children; providing transitional housing for women who have suffered domestic violence and their children so they can get away from the abuser; educational opportunities in schools to teach about domestic violence, teen dating, sexual assault; providing literature about the STOP Program at Powwows and other cultural events; providing a 52-week Batterer Intervention Program (BIP); providing transportation and financial assistance to victims; providing victim advocacy for court appearances; and training volunteers to become a part of a sexual assault team for victims. Also, the Sexual Assault Advocate has performed sexual assault trainings for elementary school teachers and is collaborating with local middle and high school principals to start boys' support groups and girls' support groups in preventive activities, including a training and presentation performed by a member of the Coeur d'Alene Tribe's Child Protective Services.

We also noted that the STOP Program had its own counselors, who were independent contractors. We interviewed these three counselors to determine if the program was effective in meeting the end user needs. For the purposes of this analysis, we defined end users as victims of domestic violence, sexual assault, dating violence, and stalking; children of these victims, and sometimes the offenders themselves. All three counselors stated that they believe the program is meeting user needs. The counselors have groups they work with individually. One counselor performs court-ordered domestic violence evaluations as well as counsels individual victims of domestic violence or children who have witnessed domestic violence. He also goes into

schools and does programs on domestic violence. The second counselor also provides counseling services which are directed to women and their children who are affected by domestic violence or sexual assault. A third counselor is a substance abuse counselor who holds weekly meetings with the BIP, whose participants are assigned and mandated by the courts to attend program meetings. The counselors explained that the STOP Program usually refers the individuals to the counselors for their services. Before working for the Coeur d'Alene Tribe's STOP Program all three counselors stated that they were familiar with its programs because word of its success had spread to other organizations where they either worked or had connections. All three counselors meet regularly with the Program Manager on the progress of clients and how to make the program more successful and useful. Based on the information obtained from the counselors, we determined that the STOP Program was effective in meeting the short and long term needs of end users.

According to information reviewed during our Progress Report Analysis and interviews with contractors and Coeur d'Alene officials, we determined that there is no indication that the Coeur d'Alene STOP Program has not been on track to complete the goals and objectives of the five grants reviewed.

### **Monitoring Contractors**

According to the *OJP Financial Guide*, direct recipients should be familiar with, and periodically monitor, their subrecipients' financial operations, records, systems, and procedures. Particular attention should be directed to the maintenance of current financial data. Also, recipients must ensure that subrecipients have met the necessary audit requirements contained in the *OJP Financial Guide*. Recipients are also responsible for ensuring that subrecipient audit reports are received and for resolving any audit findings. Known or suspected violations of any law encountered during audits, including fraud, theft, embezzlement, forgery, or other serious irregularities, must be communicated to the recipient. For subrecipients who are not required to have an audit as stipulated in OMB Circular A-133, the recipient is still responsible for monitoring the subrecipients' activities to provide reasonable assurance that the subrecipient administered Federal awards in compliance with Federal requirements.

We determined that four contractors have been paid with grant funds. We also noted that there have never been more than three contractors paid by the STOP Program at any given time. The first

contractor was a mental health counselor and a Coeur d'Alene Tribal member located in Spokane, WA and in addition to regular counseling, used horses to provide other means of reaching children who might not communicate well otherwise. The three contractors that are presently (as of our fieldwork) being paid with grant funds includes contractors providing counseling services and offender evaluations. Two of the contractors provide counseling services for victims of domestic violence or children who have witnessed domestic violence. The third contractor conducts the BIP, which, according to the contractor, involves weekly batterer's group sessions and occasional talking/healing circles.

We determined that the program manager monitors the contractor by maintaining weekly and monthly records of attendance at offender meetings and speaking frequently with the counselors about the sessions and clients. The Program Manager also holds quarterly meetings in which the counselors participate with others in the community. The Program Manager reviews results and participant lists of the counselors' group sessions and also reviews client sessions with the counselors. By reviewing these, the Program Manager can gauge if the counselor is performing as needed. We verified that reviews had been documented by reviewing copies from the Program manager of the records she kept by the counselors of the counseling sessions they led. Based on the documentation reviewed and interviews with grant officials, we did not find any indication that the Program was not adequately monitoring and evaluating the contractors.

## **Recommendations**

We recommend that the OVW:

1. Remedy the \$2,560 in unallowable expenditures to contractors/consultants.
2. Remedy the \$171,865 in personnel costs for personnel not included in the grant budgets.
3. Ensure that the Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the *OJP Financial Guide*.
4. Remedy the \$10,446 in unsupported indirect cost expenditures.

**OBJECTIVES, 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. 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 and progress reports; (9) grant requirements; (10) program performance and accomplishments; and (11) monitoring of subrecipients and contractors. We determined that matching costs, property management, program income, and monitoring of subrecipients were not applicable to this grant.

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 grant 2005-WR-AX-0004 on August 1, 2005, through July 20, 2011. This was an audit of the OVW grant numbers 2005-WR-AX-0004, 2006-WI-AX-0032, 2007-TW-AX-0075, 2009-TW-AX-0054, and 2009-WH-AX-0054 for the Coeur d'Alene Tribe STOP Program. The Coeur d'Alene Tribe has drawn down a total of \$1,320,270 in grant funds through July 20, 2011.

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* and the award documents.

In conducting our audit, we performed sample testing in five areas, which were drawdowns, grant expenditures, personnel expenditures, FFRs, and Progress Reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the awards reviewed, such as dollar amounts or expenditure

category. We identified samples including 139 of 957 grant expenditures, 20 of 30 progress reports, and 20 of 53 financial reports.

In addition, we evaluated performance to grant objectives, grant drawdowns, indirect cost charges made by the recipient, and evaluated the recipient's monitoring of contractors. However, we did not test the reliability of the financial management system as a whole and reliance on computer based data was not significant to our objective.

**APPENDIX II**

**SCHEDULE OF DOLLAR-RELATED FINDINGS<sup>8</sup>**

<b>QUESTIONED COSTS:</b>	<b><u>AMOUNT</u></b>	<b><u>PAGE</u></b>
Unallowable Contractor/Consultant Costs	2,560	12
Unallowable Personnel Costs	171,865	14
Unsupported Indirect Cost Expenditures	10,446	18
<b>Total Questioned Costs:</b>	<b>\$184,871</b>	
<b>TOTAL DOLLAR-RELATED FINDINGS</b>	<b>\$184,871</b>	

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<sup>8</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory or contractual requirements, or are not supported by adequate documentation at the time of the audit, or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, or the provision of supporting documentation.

**APPENDIX III**

**DETAILED UNALLOWABLE COSTS**

<b>GRANT</b>	<b>TRANSACTION</b>	<b>DATE</b>	<b>AMOUNT</b>
2007-TW-AX-0075	LEASE PAYMENT	12/21/2009	\$ 600
2009-WH-AX-0054	BIP COUNSELOR	5/3/2010	1,600
<b>TOTAL UNALLOWABLE COSTS:</b>			<b>\$ 2,200</b>

**APPENDIX IV**

**DETAILED UNBUDGETED PERSONNEL COSTS**

<b>POSITION</b>	<b>SALARY COSTS</b>	<b>FRINGE BENEFIT COSTS</b>	<b>TOTAL PER GRANT</b>
<b>GRANT 2005-WR-AX-0004</b>			
PROGRAM MANAGER	\$39,772	\$8,534	\$48,306
<b>GRANT 2007-TW-AX-0075</b>			
PROGRAM MANAGER	\$100,146	\$23,414	\$123,560
<b>TOTAL UNALLOWABLE COSTS:</b>			<b>\$171,865</b>

COEUR D'ALENE TRIBE RESPONSE TO DRAFT AUDIT REPORT



**Coeur d'Alene Tribe**  
850 A Street | PO Box 408  
Plummer, ID 83851  
Phone (208) 686-1271 | Fax (208) 686-6203

February 13, 2012

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

Mr. Sheeren:

We are in receipt of the January 23, 2012 draft audit report on the Office on Violence Against Women (OVW) grants. First, we would like to thank [REDACTED] and his team for their time and assistance during the audit. [REDACTED] and his staff were very thorough, courteous, and they did their best to answer our questions during the audit process. We have reviewed the findings and wish to offer the following remedies.

***Finding #1 - \$2,560 in unallowable expenditures to contractors.***

The Tribe concurs with the results of this finding. The amounts were miscoded to the grant and the amounts were not detected in the Tribe's review of program expenditures. The Tribe acknowledges this was a coding error, but believes that the current internal control system limits the opportunity for this to occur again in the future.

In order to remedy this finding the Tribe agrees to provide additional training to the STOP program staff on budget monitoring and budget oversight to ensure that grant expenditures are in approved budget categories. The Tribe's new accounting and purchasing system have additional controls that make this less subject to human error. As a last resort, the Tribe would be willing to reimburse OVW for the \$2,560 in questioned costs.

***Finding #2 - \$171,865 in personnel costs for personnel not included in the grant budget.***

The Tribe concurs with the results of this finding. The Tribe recognizes that a budget modification should have been submitted to reflect the amount of time the program manager was spending performing advocate position duties and other program management activities. The Tribe strongly believes that the personnel costs charged to the grant accurately reflect the service level provided to OVW clientele and that those costs were necessary and reasonable for the proper administration of the program. The Tribe also believes that the objectives of the program were met and this sentiment appears to be shared by the audit team's conclusions about the program's effectiveness and monitoring results.

David Sheeren, Regional Audit Manager  
February 13, 2012  
Page 2 of 3

***Finding #2 – (continued)***

In order to remedy this finding, the Tribe will provide additional training to the STOP program staff on budget monitoring and budget oversight to ensure that grant expenditures are in approved budget categories. The Tribe would like to submit revised budgets for the grant periods in question to include the Program manager's time and additional advocate position personnel costs that were not originally budgeted for.

***Finding #3 - Ensure that the Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the OJP Financial Guide.***

The Tribe concurs with the results of this finding. The Tribe recognizes that grant expenditures did not stay within the ten percent threshold of the approved budgets and that it should have submitted a GAN to reallocate the budget as necessary.

The Tribe's new accounting system has automated budget controls that prohibit posting of expenditures if the budget is insufficient. Additionally, the Tribe is actively using budget to actual reports on a monthly basis to monitor the status of each grant. These reports are available to STOP program staff for viewing at any time during the grant period. The Tribe feels that the new accounting system adequately addresses this finding.

***Finding #4 - Remedy the \$10,446 in unsupported indirect cost expenditures.***

The Tribe concurs with this finding. As noted in the draft audit report, it is the Tribe's policy to use the most recently approved indirect cost rate for its monthly posting of indirect. Once the new rate is received the Tribe should have made a correcting entry for the cumulative change in rates for the year. As noted in the audit, a correcting entry was made, but was later reversed and a new correcting entry was not reposted.

The Tribe recognizes this was an error and it has implemented additional steps to ensure that the indirect calculations are checked again before the fiscal year is closed. This additional reconciliation will help to ensure that the correct amount of indirect is charged to the respective grants. In order to remedy this finding the Tribe agrees to provide additional training to the STOP program staff on how indirect is calculated so that they are able to identify instances where indirect has been incorrectly charged. The Tribe would like recommendations on how to further remedy this finding.

David Sheeren, Regional Audit Manager  
February 13, 2012  
Page 3 of 3

In closing, we would like to thank the audit team for their assistance and thorough review of the Tribe's STOP Program. The Tribe is very proud of the strides the STOP Program has made since its inception and the impacts it continues to have on our community. The Tribe acknowledges that some errors were made over the course of the audit period. We believe, however, that the experience of the STOP Program staff has grown immensely and we don't anticipate these to be ongoing issues. We hope that we are able to find remedies that are acceptable to both your office and OVW that don't place additional financial burden on the Tribe and its limited resources.

Sincerely,

/s/  
Jeff Oka, CPA  
Chief Financial Officer  
Coeur d'Alene Tribe

CC: Office on Violence Against Women  
Kathy Howkumi

OFFICE ON VIOLENCE AGAINST WOMEN RESPONSE TO DRAFT  
AUDIT REPORT



U.S. Department of Justice

Office on Violence Against Women

Washington, D.C. 20530

March 7, 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  
Coeur d'Alene Tribe Plummer, Idaho

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

The report contains four recommendations and \$2,560 in unallowable expenditures, \$171,865 in personnel costs for personnel not included in the grant budget, and \$10,446 in unsupported indirect cost 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) Remedy the \$2,560 in unallowable expenditures to contractors/consultants.**

We agree with this recommendation. OVW will work with the grantee to remedy the \$2,560 in unallowable expenditures to contractors/consultants.

**2) Remedy the \$171,865 in personnel costs for personnel not included in the grant budget.**

We agree with this recommendation. OVW will work with the grantee to remedy the \$171,865 in personnel cost for personnel not included in the grant budget.

**3) Ensure that Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the OJP Financial Guide.**

We agree with this recommendation. OVW will work with the grantee to ensure that the Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the OJP Financial Guide.

**4) Remedy the \$10,446 in unsupported indirect cost expenditures.**

We agree with this recommendation. OVW will work with the grantee to remedy the \$10,446 in unsupported indirect cost expenditures.

We appreciate the opportunity to review and comment on the draft report. We will continue to work with the Coeur d'Alene Tribe 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: Louise M. Duhamel, Ph.D.  
Acting Assistance Director  
Audit Liaison Group  
Justice Management Division

Angela Wood  
Budget Officer  
Office on Violence Against Women

Kathy Howkumi  
Program Specialist  
Office on Violence Against Women

## APPENDIX VII

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

The OIG provided a draft of this report to the OVW. The OVW response is incorporated in Appendix VI of this final report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

1. **Resolved.** OVW concurred with our recommendation to remedy the \$2,560 in unallowable expenditures to contractors/consultants. OVW stated that they will work with the Coeur d'Alene Tribe to remedy these costs.

This recommendation can be closed when we receive documentation that OVW has remedied the \$2,560 in unallowable expenditures to contractors/consultants.

2. **Resolved.** OVW concurred with our recommendation to remedy the \$171,865 in personnel costs not included in the grant budget. OVW stated that they will work with the Coeur d'Alene Tribe to remedy these costs.

This recommendation can be closed when we receive documentation that OVW has remedied the \$171,865 in personnel costs for personnel not included in the grant budgets.

3. **Resolved.** OVW concurred with our recommendation to ensure that the Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the *OJP Financial Guide*. OVW stated that they will work with the Coeur d'Alene Tribe to ensure that the Coeur d'Alene Tribe has implemented these procedures.

This recommendation can be closed when we receive documentation from OVW that the Coeur d'Alene Tribe has implemented procedures to ensure that grant expenditures from the STOP Program are in approved budget categories as well as within the ten percent threshold of the *OJP Financial Guide*.

4. **Resolved.** OVW concurred with our recommendation to remedy the \$10,446 in unsupported indirect costs. OVW stated that

they will work with the Coeur d'Alene Tribe to remedy these costs.

This recommendation can be closed when we receive documentation that OVW has remedied the \$10,446 in unsupported indirect cost expenditures.