



**AUDIT OF THE
OFFICE ON VIOLENCE AGAINST WOMEN
GRANT AWARDED TO THE
SOBOBA BAND OF LUISEÑO INDIANS
SAN JACINTO, CALIFORNIA**

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

Audit Report GR-90-13-006
August 2013

**AUDIT OF THE
OFFICE ON VIOLENCE AGAINST WOMEN
GRANT AWARDED TO THE
SOBOBA BAND OF LUISEÑO INDIANS
SAN JACINTO, CALIFORNIA**

EXECUTIVE SUMMARY

The U.S. Department of Justice Office of the Inspector General, Audit Division, has completed an audit of Violence Against Women Grant 2007-TW-AX-0014, in the amount of \$149,940, awarded by the Office on Violence Against Women (OVW), to the Soboba Band of Luiseño Indians (Soboba), San Jacinto, California. The purpose of the OVW Grant was to: (1) decrease the incidence of violent crime against Indian women, (2) strengthen the capacity of Indian tribes to exercise their sovereign authority to respond to violent crimes committed against Indian women, and (3) ensure that perpetrators of violent crimes committed against Indian women are held accountable for their criminal behavior. As of July 11, 2011, Soboba had expended \$89,011 (59 percent) of the total grant award of \$149,940.

Audit Results

The purpose of our audit was to determine whether costs claimed under OVW Grant 2007-TW-AX-0014 were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program performance and accomplishments; and (11) post end date activity. We determined that program income, indirect costs, matching, and monitoring of sub-recipients and contractors, were not applicable to the grant.

As a result of our audit, we found that the grantee complied with requirements related to drawdowns, accountable property, budget management, and award requirements. However, we found weaknesses in the areas of expenditures, reporting, and program performance and accomplishments. Specifically, we found the following exceptions:

- \$102,396 in grant funds which Soboba drew down and that did not result in Soboba accomplishing the goals of the grant.¹
- \$1,765 in salary expenses were improperly charged to the grant as the employees' time records did not specify that the corresponding time worked was grant-related; and
- A total of three Progress Reports were submitted late, one being 29 days late. Community education data reported on two Progress Reports was not adequately supported and victim services data on one Progress Report contained discrepancies.

These items are discussed in detail in the Findings and Recommendations section of the report. Our report contains three recommendations to OVW. Our audit objective, scope, and methodology are discussed in Appendix I and our Schedule of Dollar Related Findings appears in Appendix II.

We discussed the results of our audit with Soboba officials and have included their comments in the report, as applicable. In addition, we requested written responses to the draft audit report from Soboba and OVW and appended those comments to this report in Appendices III and IV, respectively. Our analysis of both responses, as well as a summary of action necessary to close the recommendations can be found in Appendix V of this report.

¹ The total of \$102,396 represents drawdowns as of September 23, 2011.

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INTRODUCTION

The U.S. Department of Justice Office of the Inspector General (OIG), Audit Division, has completed an audit of Violence Against Women Grant 2007-TW-AX-0014, in the amount of \$149,940, awarded by the Office on Violence Against Women (OVW), to the Soboba Band of Luiseño Indians (Soboba), San Jacinto, California. The purpose of grant was to:

- (1) decrease the incidence of violent crime against Indian women,
- (2) strengthen the capacity of Indian tribes to exercise their sovereign authority to respond to violent crimes committed against Indian women, and
- (3) ensure that perpetrators of violent crimes committed against Indian women are held accountable for their criminal behavior. As of July 11, 2011, Soboba had expended \$89,011 (59 percent) of the total grant award of \$149,940.

**EXHIBIT 1
OVW GRANT AWARDED TO SOBOBA**

AWARD	AWARD START DATE	AWARD END DATE ²	AWARD AMOUNT
2007-TW-AX-0014	09/01/07	08/31/11	\$ 149,940

Source: Office of Justice Programs

The purpose of our audit was to determine whether costs claimed under the grant were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program performance and accomplishments; and (11) post end date activity. We determined that indirect costs, program

² The Award End Date includes all time extensions that were approved by the Office on Violence Against Women.

income, matching, and monitoring of sub-recipients and contractors were not applicable to the grant.

Background

Soboba is located at the base of the San Jacinto Mountains bordering the City of San Jacinto, California, which is approximately 85 miles east of Los Angeles, California. On June 19, 1883, approximately 3,172 acres were set aside to establish the Soboba Indian Reservation for the permanent occupation and use of the Soboba people. The reservation today encompasses nearly 7,000 acres, 400 of which are devoted to residential use. The Soboba Band has a current enrollment of approximately 1,200 tribal members, who are governed by an elected tribal council that consists of five tribal members.

The purpose of the Office on Violence Against Women 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, and sexual assault, and stalking.

OIG Audit Approach

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

- **Internal Control Environment** – to determine whether the internal controls in place for the processing and payment of funds were adequate to safeguard the funds awarded to Soboba and ensure compliance with the terms and conditions of the grant.
- **Drawdowns** – to determine whether drawdowns were adequately supported and if Soboba was managing receipts in accordance with federal requirements.
- **Expenditures** – to determine whether costs charged to the grant, including payroll and fringe benefits, were accurate, adequately supported, allowable, reasonable, and allocable. In addition, we tested expenditures related to the purchase of accountable property

and equipment to determine whether Soboba accurately recorded expenditures in its accounting system.

- **Budget Management** – to determine whether there were deviations between the amounts budgeted and the actual costs for each category.
- **Reports** – to determine if the required financial, and programmatic reports were submitted on time and accurately reflected grant activity.
- **Additional Award Requirements** – to determine whether Soboba complied with award guidelines, special conditions, and solicitation criteria.
- **Program Performance and Accomplishments** – to determine whether Soboba made a reasonable effort to accomplish stated objectives.
- **Post End Date Activity** – to determine, for the grant that has ended, whether Soboba complied with post end date award requirements.

The results of our audit are discussed in detail in the Findings and Recommendations section of this report. We discussed the results of our audit with Soboba officials and have included their comments in the report, as applicable. Our report contains three recommendations to OVW. The audit objective, scope, and methodology are discussed in Appendix I.

FINDINGS AND RECOMMENDATIONS

We found that the grantee generally complied with requirements related to drawdowns, accountable property, budget management, and award requirements. However, we found weaknesses in the areas of expenditures, reporting, and program performance and accomplishments. Soboba drew down \$102,396 in grant funds without completion of grant objectives. Grant expenditures of \$1,765 related to salary costs were not supported. A total of three Progress Reports were submitted late, one being 29 days late. In addition, community education data reported on two Progress Reports was not adequately supported and victim services data on one Progress Report contained discrepancies.

Internal Control Environment

We reviewed Soboba's policies and procedures, Single Audit Report, and financial management system to assess its risk of noncompliance with laws, regulations, guidelines, terms and conditions of the grant. We also interviewed individuals from Soboba's grant management, accounting, and finance staff regarding internal controls and processes related to payroll, purchasing, and accounts payable functions. Finally, we observed the financial management system, as a whole, to further assess risk.

Our review of any potential internal control issues disclosed in the Single Audit Report, or found in our review of Soboba's financial management system, are discussed below in the Single Audit and Financial Management sections, respectively. In addition, we reviewed Soboba's accounting and administration policies, interviewed Soboba's Chief Financial Officer, and observed Soboba's disbursement procedures with accounting staff. Based on our review, including observations of Soboba's operations, we determined that there was adequate segregation of duties, and Soboba adequately tracked grant receipts and expenditures. By interviewing the responsible Soboba officials in charge of the grants, we obtained an understanding of Soboba's internal controls and determined that the internal controls in place for the processing and payment of funds were adequate to safeguard grant funds and ensure compliance with grant terms and conditions.

Single Audit

According to Office of Management and Budget Circular A-133, non-federal entities that expend \$500,000 or more in federal awards in a year shall have a Single Audit conducted. At the start of our fieldwork, the most recent single audit available for Soboba was for fiscal year (FY) 2009. We reviewed Soboba's FY 2009 Single Audit Report and found that the independent auditors had issued an unqualified opinion with respect to the Federal Grants Fund of the Tribe as of December 31, 2009.³ The audit report did not reflect any material weakness with respect to Soboba's internal controls.

Financial Management System

The *OJP Financial Guide* requires that all grant fund recipients "establish and maintain accounting systems and financial records to accurately account for funds awarded to them." This requirement includes adequate maintenance of financial data to record and report on the receipt, obligation, and expenditure of grant funds. Furthermore, the guide stipulates that grantees must account for each award separately and may not commingle grant funds. In our review of Soboba's financial management system we found grant-related transactions were separately tracked from all other funding. Further, we found that the system accurately accounted for grant-related receipts and expenditures, and provided for adequate record keeping and reporting of grant-related activities.

Drawdowns

According to the *OJP Financial Guide*, grant recipients should request funds based upon immediate disbursement or reimbursement needs. Specifically, recipients should time their drawdown requests to ensure that federal cash-on-hand is the minimum needed for disbursement or reimbursement to be made immediately or within 10 days. Soboba officials stated that grant funds were drawn down on a reimbursement basis. Based on our review, we found that Soboba drew funds on a reimbursement basis and adhered to the Guide's federal cash-on-hand requirement with one exception. Soboba drew \$5,523 approximately 8 months in advance on February 12, 2009. All other drawdowns in excess of expenditures were

³ The audited financial statements presented only Soboba's Federal Grants Fund, which did not represent the financial position of the Soboba Band of Luiseño Indians as a whole. The Federal Grants Fund, a special revenue fund of the Soboba Band of Luiseño Indians, accounts for all activities of Soboba which are funded solely or partially from federal and state awards.

found to have been disbursed within 10 days of the drawdown date. Further, we reviewed Soboba's drawdown records and verified that grant funds were deposited in Soboba's bank accounts. Given the dollar amount of the draw down and the fact that this was the only instance of Soboba drawing down funds more than 10 days in advance, we consider this instance to be an anomaly and as a result, do not make a recommendation.

Expenditures

As of July 11, 2011, Soboba expended a total of \$89,012 on the grant; the expenditures were comprised of personnel, fringe benefits, accountable property, travel, supplies, and other costs. We judgmentally selected a sample of transactions in order to determine if costs charged to the grant were allowable, properly authorized, adequately supported, and in compliance with grant terms and conditions. The expenditures we selected included travel, supplies, consulting, and other expenditures. We reviewed supporting documentation including purchase orders, invoices, receipts, and check copies. We selected a non-statistical sample of 27 non-personnel transactions totaling \$27,815 (31 percent). Eight of the sample transactions were selected from the highest dollar transactions in the universe and the remaining sample transactions were judgmentally selected. Based on our testing, we did not identify any reportable discrepancies for the grant with respect to the 27 non-personnel transactions selected.

Personnel

We selected a judgmental sample of two non-consecutive pay periods to test, which included salaries and fringe benefit expenditures totaling \$1,765. We reviewed supporting documentation, such as time and attendance records, to determine: (1) if the positions paid with grant funds appeared reasonable with the stated intent of the program and were consistent with the OJP-approved budget, (2) whether the salaries of the employees paid with grant funds were within a reasonable range, and (3) if the salary and fringe benefit expenditures were adequately supported.

We obtained a list of employees paid using grant funds from the Chief Financial Officer. We compared the list of personnel working on grant related activity to the approved positions in the OJP-approved grant budget. We determined that the positions were within the intent of the program, consistent with the approved budget, and that the salaries paid were reasonable. We reviewed Soboba's payroll records and supporting timecards and found that all four timecards tested were not properly supported.

Specifically, we noted that the work efforts of two employees were allocated pro rata to more than one project. The *OJP Financial Guide* states that where salaries apply to the execution of two or more grant programs, cost activities, project periods, or overlapping periods, proration of costs to each activity must be made based on time and effort reports. Furthermore, 2 C.F.R. 225 requires that activity reports reflect an after-the-fact distribution of the actual activity of each employee. While timecards were provided for each employee, they did not reflect the after-the-fact distribution of the actual activity of each employee; instead employee hours were prorated to each activity based on a pre-determined ratio. As a result, we question the \$1,765 tested as unsupported.

Accountable Property

According to the *OJP Financial Guide*, property acquired with grant funds should be used for the purposes stated in the grant application. Further, grant recipients must maintain records on the source of property items that were acquired using grant funds. Soboba had an accountable property policy that defined fixed assets as equipment with a value of \$1,000 or more and a useful life of 2 years or more.

We judgmentally selected from Soboba expenditure records a sample of two accountable property items (100 percent) that included a computer and projector. We found that all sampled accountable property items were properly recorded and identified as federally funded. In addition, we physically verified all sample property items and determined that the items were being utilized for grant-related purposes.

Budget Management

The *OJP Financial Guide* and 28 C.F.R. 66 require prior approval from the awarding agency if the movement of dollars between budget categories exceeds 10 percent of the total award amount for awards over \$100,000. Based on our review of the award package and grant solicitation, we determined that the grant exceeded the \$100,000 threshold and was subject to the 10 percent rule. Our analysis of the budget as compared to actual expenditures found that there were no budget deviations that required OVW approval.

Reports

According to the *OJP Financial Guide*, award recipients are required to submit quarterly Federal Financial Reports (FFR) and semi-annual Progress Reports. These reports describe the status of the funds, compare actual accomplishments to the objectives of the grant, and report other pertinent information. We reviewed the FFRs and Progress Reports submitted by Soboba to determine whether each report was accurate and submitted in a timely manner.

Overall, we found that the financial reports that Soboba submitted were timely and accurate. However, Soboba did not submit all of its Progress Reports in a timely manner and two of the reports submitted contained errors. We discuss the results of our testing in more detail below.

Federal Financial Reports

According to the *OJP Financial Guide*, the quarterly FFRs are due no later than 30 days after the end of each quarter, with the final FFR due within 90 days after the end date of the award.⁴ We reviewed the four most recent FFRs submitted prior to our entrance in July 2011 to determine if Soboba submitted these reports on time. We found that Soboba submitted all the reports in a timely manner.

EXHIBIT 2 FEDERAL FINANCIAL REPORT HISTORY OVW GRANT 2007-TW-AX-0014

REPORT NO.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
12	04/01/10 - 06/30/10	07/30/10	07/22/10	0
13	07/01/10 - 09/30/10	10/30/10	10/26/10	0
14	10/01/10 - 12/31/10	01/30/11	01/25/11	0
15	01/01/11 - 03/31/11	06/29/11	04/26/11	0

Source: OIG analysis of FFRs

⁴ In October 2009, the financial reporting requirement for grantees transitioned from quarterly Financial Status Reports (FSR) to quarterly Federal Financial Reports (FFR). Throughout the report, we refer to both report formats as FFRs. Prior to this transition quarterly FFR's were due no later than 45 days after the end of each quarter with the final FFR due no later than 120 days following the end date of the award. We tested timeliness of report submission based on the standard applicable as of the end of each reporting period.

We also reviewed each FFR to determine whether they contained accurate financial information related to actual expenditures for the award. According to the *OJP Financial Guide*, award recipients must report program outlays and revenue on a cash or accrual basis in accordance with their accounting system. We compared the four most recently submitted FFRs to Soboba's grant accounting records. We found the FFRs submitted to be accurate.

**EXHIBIT 3
ACCURACY OF SOBOBA'S FEDERAL FINANCIAL REPORTS
OVW GRANT 2007-TW-AX-0014**

REPORT NO.	REPORTING PERIOD	EXPENDITURES REPORTED ON FFR	GRANT-RELATED EXPENDITURES	DIFFERENCE BETWEEN FFRS AND ACCOUNTING RECORDS
12	04/01/10 - 06/30/10	\$ 7,966	\$ 7,966	\$ 0
13	07/01/10 - 09/30/10	9,618	9,618	0
14	10/01/10 - 12/31/10	12,088	12,088	0
15	01/01/11 - 03/31/11	10,532	10,532	0

Source: OIG analysis of OVW data and Soboba's accounting records

Progress Reports

According to *OJP Financial Guide*, Progress Reports are due semiannually for discretionary awards and annually for block or formula awards. For this discretionary award, Soboba was required to submit the required Progress Reports semi-annually within 30 days of the end of the reporting period. We reviewed the most recent eight Progress Reports to determine if Soboba submitted the reports on time. We also reviewed the last full year of Progress Reports submitted to OVW for accuracy. We found that three of the eight Progress Reports reviewed for timeliness were not submitted in a timely manner and two reports reviewed for accuracy contained discrepancies.

**EXHIBIT 4
PROGRESS REPORT HISTORY
OVW GRANT 2007-TW-AX-0014**

REPORT NO.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
1	07/01/07 - 12/31/07	01/30/08	11/13/08	29
2	01/01/08 - 06/30/08	07/30/08	11/17/08	3
3	07/01/08 - 12/31/08	01/30/09	02/02/09	3
4	01/01/09 - 06/30/09	07/30/09	07/30/09	0
5	07/01/09 - 12/31/09	01/30/10	01/15/10	0
6	01/01/10 - 06/30/10	07/30/10	07/12/10	0
7	07/01/10 - 12/31/10	01/30/11	01/27/11	0
8	01/01/11 - 06/30/11	07/30/11	07/28/11	0

Source: OIG data analysis of OVW data

The *OJP Financial Guide* states that:

. . . 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.

Performance measures from the grant solicitation included: the number and percentage of arrests relative to the number of police responses to domestic violence incidents, the number of tribes receiving grant funding, and the number of victims receiving requested services.

We reviewed Soboba's Progress Reports to determine if the reports accurately reflected grant activity and accomplishments. We found that Soboba's Progress Reports with periods ending December 31, 2010, through the period ending June 30, 2011, accurately reflected grant accomplishments with two exceptions. Specifically, we found that the dollar values reported for victim services were understated by 12 percent in the December 2010 report, and the total number of participants receiving community education was not supported for either reporting period.

We recommend that OVW ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.

Additional Award Requirements

We reviewed Soboba's compliance with specific program requirements in the grant solicitation as well as special conditions included in its grant awards. We determined that Soboba generally complied with grant requirements and conditions.

Program Performance and Accomplishments

According to the revised work plan, approved by OVW the purposes of the grant were to: (1) strengthen tribal codes and ordinances; (2) initiate and establish partnerships with local law enforcement in developing a crime statistic database particular to Soboba; (3) present to the Soboba Tribal Council, for review, a tentative agreement with local law enforcement detailing protocols for sharing information to accomplish a complete database on Violence Against Women Act activities; (4) develop rules, policies, regulations, and procedures on regulatory aspects of each code for utilization by Tribal Enforcement; and (5) prepare and disseminate to all tribal members copies of potential codes and ordinances in areas of Violence Against Women Act. Soboba also requested, and received approval from OVW for changes to the scope of work which added community outreach, Victim Advocate training, and purchases of necessary supplies to the grant objectives. The revised grant budget also supported salaries paid to a Domestic Violence Coordinator and a Legal Administrative Assistant.

We discussed progress with the Grant Manager, reviewed relevant grantee documentation as well as information submitted to OJP's grant management system. We found that as of the grant closeout completed in January 2012, Soboba had drafted domestic violence codes for approval by the Soboba council and dissemination to tribal members, completed Victim Advocate training, and developed rules and policies for use by tribal enforcement. Soboba had also hired the two positions described in the grant documents, performed community outreach, and made efforts to create a domestic violence database and establish partnerships with local law enforcement. However, Soboba had not disseminated the proposed domestic violence code to all Tribal members and discussed these materials with partners in local law enforcement. Soboba officials advised that they were unable to achieve these goals because Soboba's tribal council chose to discontinue development of tribal law enforcement and replace it with a

Community Public Safety department which would have no law enforcement powers. As a result the tribe suspended development and dissemination of codes and ordinances pending adoption of policies and procedures for the new Soboba Department of Public Safety. Soboba officials also advised that they experienced other significant complications that hindered completion of grant goals. Specifically, Soboba officials stated that tensions with local law enforcement over shootings that occurred in 2008 hampered progress in establishing partnerships with local law enforcement. Further, Soboba officials stated that difficulties in obtaining timely responses from OVW impacted their ability to effectively manage the grant. Soboba did not request an extension as officials did not believe an extension would facilitate completion of the suspended grant objectives, and at the time they were unaware they could obtain additional extensions to complete the grant. Based on the preceding, Soboba chose to discontinue the project. Subsequently, OJP de-obligated the remaining \$47,544 (32 percent) of grant funds and OVW finalized closeout of the grant in January 2012, prior to completion of the award objectives. Therefore, we did not review the progress of the remaining goals. Because Soboba failed to accomplish its grant goals before the grant end date, we question the total amount that Soboba drew down (\$102,396).⁵

Post End Date Activity

According to award documentation, the OVW Grant ended on August 31, 2011. Further, Soboba did not request an extension. We reviewed the post end date activity, including submission of the final progress and financial reports and found no reportable exceptions.

Conclusion

Based on our audit, we determined that the financial management system used by Soboba provided for adequate record keeping and reporting of grant-related activities. We also determined that Soboba's expenditures were within the approved budgeted constraints. However, expenditures of \$1,765 related to salary costs were not supported, and two Progress Reports contained inaccurate and unsupported data. With regards to the Progress Reports, we found that the values reported for victim services was understated, and total participants for community education reported were not supported. Additionally, we assessed program performance of Soboba in meeting the grant objectives and overall accomplishments. We found that as of the grant close out in January 2012 Soboba had not completed goals

⁵ The total of \$102,396 represents drawdowns as of September 23, 2011.

associated with the grant and did not request an extension to complete the grant. We did not review the progress of the remaining goals as OVW finalized closeout of the grant in January 2012, prior to completion of the award objectives.

Recommendations

We recommend that OVW:

1. Remedy the \$1,765 in unsupported payroll.
2. Ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.
3. Remedy the \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant.

APPENDIX I

OBJECTIVE, SCOPE, AND METHODOLOGY

The purpose of our audit was to determine whether costs claimed under Grant 2007-TW-AX-0014 were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program performance and accomplishments; and (11) post end date activity. We determined that matching, indirect costs, program income, monitoring sub-recipients were not applicable.

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 scope included a review period for our audit that focused on, but was not limited to, the period beginning September 1, 2007, through the date of our entrance conference on July 11, 2011. In addition, we reviewed post end date activity occurring subsequent to the entrance conference.

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 *OJP Financial Guide*, award documents, Code of Federal Regulations, and Office of Management and Budget (OMB) Circulars.

We reviewed a judgmentally selected sample of transactions that were recorded in Soboba's grant related accounting records as of July 11, 2011. This included 27 expenditures related to Grant 2007-TW-AX-0014.

We did not test internal controls for Soboba taken as a whole or specifically for the grant program administered by Soboba. An independent

Certified Public Accountant conducted an audit of Soboba's financial statements. The results of this audit were reported in the Single Audit Report that accompanied the Independent Auditors' Report for the year ending 2009. The Single Audit Report was prepared under the provisions of Office of Management and Budget Circular A-133. We reviewed the independent auditor's assessment to identify control weaknesses and significant noncompliance issues related to Soboba or the federal programs it was administering, and assessed the risks of those findings on our audit.

In addition, we reviewed the timeliness and accuracy of FFRs, and Progress Reports; and evaluated performance of grant objectives. However, we did not test the reliability of the financial management system as a whole, nor did we place reliance on computerized data or systems in determining whether the transactions we tested were allowable, supported, and in accordance with applicable laws, regulations, and guidelines. We also performed limited testing of information obtained from OJP's Grants Management System (GMS) and found no discrepancies. We thus have reasonable confidence in the GMS data, which we verified for the purposes of our audit. However, the OIG has not performed tests of the GMS system specifically, and we therefore cannot definitively attest to the reliability of GMS data.

APPENDIX II

SCHEDULE OF DOLLAR-RELATED FINDINGS

QUESTIONED COSTS: ⁶	<u>AMOUNT</u>	<u>PAGE</u>
Unsupported Costs:		
Unsupported Payroll Expenditures (OVW)	\$ 1,765	7
Unallowable Costs:		
Funds drawn without completion of grant objectives	\$ 102,396	12
TOTAL QUESTIONED COSTS:	\$ 104,161	
<i>Less: Duplicative Questioned Costs⁷</i>	<i><\$1,765></i>	
TOTAL DOLLAR RELATED FINDINGS	<u>\$ 102,396</u>	

⁶ **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.

⁷ Some costs were questioned for more than one reason. Net questioned costs exclude the duplicate amount.

THE SOBOBA BAND OF LUISEÑO INDIANS
RESPONSE TO THE DRAFT REPORT



Soboba Band of Luiseno Indians

P.O. BOX 487 • SAN JACINTO, CA 92581 • TELEPHONE (951) 654-2765

OFFICE OF TRIBAL COUNCIL

June 11, 2013

C/o David J. Gaschke, Regional Audit Manager
U.S. Department of Justice
Office of the Inspector General
San Francisco Regional Audit Office
1200 Bayhill Drive, Suite 201
San Bruno, CA 94066

Re: Response to Draft Audit Report Dated May 22, 2013 re: Audit of the Office on Violence Against Women (OVW) Grant No. 2007-TW-AX-0014

Enclosed please find the Soboba Band of Luiseno Indians' (Soboba) response to the above referenced report recommendations. Each OIG recommendation has been stated with Soboba's response:

1. Remedy the \$1,765 in unsupported payroll.

Response:

Under the specific circumstances identified in the draft report, Soboba has implemented practices to ensure proper allocation of grant funds for salaries of employees who are funded by more than one grant.

A check for \$1,765 is being mailed under separate cover to the Office of Violence Against Women.

2. Ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.

Response:

Soboba has dedicated certain employees to ensure grant compliance. An initial assessment of Tribal grants has been completed and they have been catalogued into an interim database which is updated as grants are reported on, awarded, renewed, and/or closed out. The current procedure serves to ensure timely, accurate and adequately support [progress] reports to grantors by the various Tribal departments. The next phase of the cataloguing is to migrate all the grant data into a specific software program that will allow permission based access by Soboba staff,

management and Tribal Council. The new software will improve upon the current process by creating a more accessible and user friendly system as well as to promote greater information sharing and accountability. The new software system should be acquired with the next few months.

3. Remedy the \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant.

Response:

On page 3 of the draft report, *OIG Audit Approach, Program Performance and Accomplishments*, the OIG states that it tested this area to determine whether Soboba made a "reasonable effort" to accomplish stated objectives. On page 11 of the draft report, *Program Performance and Accomplishments*, OIG set out the following, placed in table form for ease of reference and comparison:

Purposes/Scope of Work of Grant Per Revised Work Plan	As of Grant Closeout in January 2012, Soboba <i>had</i> :	Result
Strengthen tribal codes and ordinances	Drafted DV codes for approval by Soboba Council and dissemination to tribal members	Soboba met grant requirements
Initiate and establish partnerships with local law enforcement in developing a crime statistic database particular to Soboba	Made efforts to create a domestic violence database	Soboba met grant requirements
Present to the Soboba Tribal Council, for review, a tentative agreement with local law enforcement detailing protocols for sharing information to accomplish a complete database on VAWA activities	Made efforts to establish partnerships with local law enforcement	Soboba met grant requirements
Develop rules, policies, regulations, and procedures on regulatory aspects of each code for use by Tribal Enforcement	Developed rules and policies for use by Tribal Enforcement	Soboba met grant requirements
Community outreach	Performed community outreach	Soboba met grant requirements
Victim Advocate Training	Completed Victim Advocate Training	Soboba met grant requirements
Supplies for grant objectives	[No further mention by OIG]	Soboba met grant requirements
DV Coordinator and Legal	Hired two positions described	Soboba met grant

Administrative Assistant salaries support	in grant documents	requirements
Prepare and disseminate to all tribal members copies of potential codes and ordinances in areas of VAWA	Soboba had not disseminated the proposed domestic violence code to all Tribal members and discussed these materials with partners in local law enforcement	*Soboba determined to have not met grant requirements

By its own analysis utilizing its standard of "reasonable efforts", OIG has found that Soboba demonstrated reasonable completion of the grant and has completed all deliverables, except for one, as discussed below.

Soboba was determined to have not met the grant requirement of "the dissemination to all Tribal members, copies of the Domestic Violence Code and discussion of such with local law enforcement."

1. Dissemination.

- Soboba provided documentation that the Domestic Violence Code was disseminated to the Tribal Council and the Domestic Violence Task Force (which includes Tribal members, Tribal Law Enforcement, and Tribal Staff).
- The Domestic Violence Code was also discussed in the overall plan for tribal justice, at law enforcement and Tribal justice presentations at General Council meetings and Tribal Law Enforcement Initiative Community Days.

To state that Soboba did not meet this grant deliverable because the code was not physically copied and handed out to all Tribal members is unreasonable. Disseminate means to *spread, disburse, circulate, or broadcast* information. Soboba has met these criteria.

2. To all Tribal members.

- Under Soboba's system of governance, the General Council is the governing body of the Tribe. It is composed of all voting members of the Tribe; who must be age 18 or older. The General Council may choose to delegate its authority to a duly elected Tribal Council under certain conditions. Generally, when an issue arises that requires a decision by the General Council; the issue will be placed on the meeting agenda or added at the meeting. However, these agendas are only disseminated to members of the General Council, not *all*, Tribal members.

Therefore, to require Soboba to disseminate a proposed Tribal law to non-eligible voting members, which are mostly children, is not consistent with long-standing Tribal law and practice. This factor is therefore unreasonable and is being defined in a way that is contrary to the norms of most systems of democracy.

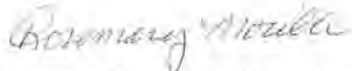
3. Discuss the Domestic Violence Code with Local Law Enforcement.

- Soboba shared with the OIG the serious tensions that ignited with local law enforcement during the grant term. Despite these strained relations, Soboba was able to consistently meet with local law enforcement. While many of those meetings focused on priority issues of the day, local law enforcement was aware of Soboba's ongoing plans to evaluate and implement positive changes to its overall Tribal justice structure. These discussions included tribal law enforcement, tribal courts, and tribal laws, such as the Domestic Violence Code. Communication continues today as a number of issues related to law enforcement remain.

The fact that no specific meeting took place to discuss the Domestic Violence Code is unreasonable and contrary to Soboba's system of governance. The Domestic Violence Code is a proposed Tribal law. While local law enforcement plays a role in Soboba's policing of its Tribal lands based on Federal law, it does not have a role in guiding or deciding which laws the Tribe will consider or enact. This is an essential Tribal government function that must be considered within the Tribe.

For the above stated reasons, Soboba believes it has demonstrated reasonable completion of the grant deliverables reviewed by OIG. Additionally, Soboba did not receive all awarded grant funding because it chose to discontinue the remainder of the grant due to the enormity of challenges stated in Soboba's reports and audit with OIG. Therefore, Soboba should not be held accountable for funds it did not receive. Overall, Soboba has demonstrated reasonable completion of the grant deliverables for which it is responsible; therefore, no penalty is warranted with regard to this grant award.

Sincerely,



Rosemary Morillo, Tribal Chairwoman

OFFICE ON VIOLENCE AGAINST WOMEN
RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

Office on Violence Against Women

Washington, D.C. 20530

June 28, 2013

MEMORANDUM

TO: David J. Gaschke
Regional Audit Manager
San Francisco Regional Audit Office

FROM: Bea Hanson 
Acting 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 Grant Awarded to
the Soboba Band of Luiseno Indians, San Jacinto, California

This memorandum is in response to your correspondence dated May 22, 2013 transmitting the above Draft Audit Report for Soboba Band of Luiseno Indians. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains **three** recommendations, **\$1,765** in unsupported payroll and **\$102,396** in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant. The Office on Violence Against Women is committed to working with the grantee to address each recommendation and bring them to a close as quickly as possible. The following is our analysis of the audit recommendations.

1) Remedy the \$1,765 in unsupported payroll.

We agree with this recommendation. We will coordinate with the Soboba Tribe to remedy the \$1,765 in unsupported payroll.

- 2) Ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.**

We agree with the recommendation. We will coordinate with Soboba Tribe to ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.

- 3) Remedy the \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant.**

We agree with the recommendation. We will coordinate with the Soboba Tribe to remedy \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant.

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

cc Angela Wood
Accounting Officer
Office on Violence Against Women (OVW)

Louise M. Duhamel, Ph.D.
Acting Assistant Director
Audit Liaison Group
Justice Management Division

Lorrain Edmo
Tribal Deputy Director
Office on Violence Against Women

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

The OIG provided a draft of this audit report to Soboba and the OVW. Soboba's and OVW's responses are incorporated in appendices III and IV of this report, respectively. The following provides the OIG's analysis of the responses and summary of actions necessary to close the report.

Recommendation Number:

- 1. Resolved.** OVW concurred with our recommendation that it remedy \$1,765 in unsupported payroll. Soboba stated that it has implemented practices to ensure proper allocation of grant funds where employees are funded by more than one grant. Soboba also stated that a total of \$1,765 will be remitted to OVW.

This recommendation can be closed when we receive evidence from OVW that the \$1,765 in unsupported payroll has been remedied.

- 2. Resolved.** OVW concurred with our recommendation to ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.

In its response Soboba stated that it has implemented procedures and will acquire a new software system which will ensure timely, accurate, and adequately supported Progress Reports. According to its response, OVW will coordinate with Soboba to ensure that Soboba develops procedures that require submission of timely, accurate, and adequately supported Progress Reports.

This recommendation can be closed when OVW provides evidence that it has coordinated with Soboba and determined that Soboba's new procedures ensure accurate and timely Progress Reports that are adequately supported.

- 3. Resolved.** OVW concurred with our recommendation that it remedy the \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing the goals of the grant. In its response, Soboba did not concur with our recommendation and stated that the

OIG's own analysis suggests that Soboba demonstrated reasonable completion of the grant and has completed all deliverables, except for one, as discussed below.

In our draft audit report, we concluded that as of the grant close out in January 2012 Soboba had not completed goals associated with the grant and did not request an extension to complete the grant. Specifically, we found that Soboba had not disseminated the proposed domestic violence code to all tribal members and discussed these materials with partners in local law enforcement as required. Based on these circumstances, we concluded that Soboba failed to accomplish all of its grant goals before the grant end date and therefore, we questioned the total amount that Soboba drew down (\$102,396).

In its formal response, Soboba stated that it distributed the domestic violence code to the Tribal Council and the Domestic Violence Task Force, both entities that Soboba stated included tribal members, tribal law enforcement, and tribal government employees. According to Soboba's response, it believed that by distributing the domestic violence code to the Tribal Council and the Domestic Violence Task Force, it had satisfied the grant goal of distributing the domestic violence code to all tribal members and discussing this material with partners in local law enforcement. Soboba also stated that to require it to disseminate a proposed tribal law to non-eligible voting members, which are mostly children, is not consistent with long-standing tribal law and practice. Further, Soboba stated that the fact that no specific meeting took place to discuss the Domestic Violence Code is unreasonable and contrary to Soboba's system of governance.

We also note that subsequent to the exit conference for this audit, Soboba provided to the OIG additional documentation concerning its achievement of grant objectives. The documentation provided included a timeline and narrative of events occurring during the life of the grant, its correspondence with OVW, and supporting documentation regarding the completion of outstanding grant deliverables. However, we found that the documents provided did not satisfy the goal stated in the grant's revised work plan submitted by Soboba in January 2008, and approved by OVW, which stated that Soboba would "[p]repare and disseminate to all tribal members copies of potential codes and ordinances in the area of [Victim Witness Assistance]." The documents provided included, but were not limited to, information such as the Soboba's general membership meeting minutes, and notes and memoranda regarding grant activities and meetings. We found that the

minutes provided did not contain mention, or presentation of, the draft domestic violence code to Soboba's general membership. Likewise, the notes and memoranda which referenced meetings with tribal members and local law enforcement that Soboba claimed related to the draft domestic violence codes do not support the occurrence of such meetings.

Based on the above, we do not believe that Soboba completed the goal of disseminating the domestic violence code to all tribal members nor was there evidence that it discussed these materials with partners in local law enforcement.

This recommendation can be closed when we receive evidence from OVW that the \$102,396 in grant funds that Soboba drew down and that did not result in Soboba accomplishing all of the goals of the grant has been remedied.