



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



**Audit of the Office on Violence
Against Women Grants Awarded
to the Lumbee Tribe of
North Carolina,
Pembroke, North Carolina**

**AUDIT OF
THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS
AWARDED TO
THE LUMBEE TRIBE OF NORTH CAROLINA
PEMBROKE, NORTH CAROLINA**

EXECUTIVE SUMMARY

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of grants awarded by the Office on Violence Against Women (OVW) awarded to the Lumbee Tribe of North Carolina (Lumbee Tribe or Tribe) in Pembroke, North Carolina. The Lumbee Tribe was awarded \$2,173,926 under Grant Numbers 2011-WR-AX-0031, 2012-WH-AX-0035, and 2014-WR-AX-0022. The primary purpose of Grant Numbers 2011-WR-AX-0031 and 2014-WR-AX-0022 was to enhance victim safety in cases of domestic violence, dating violence, sexual assault, and stalking in rural areas by encouraging collaborative partnerships among criminal justice agencies, victim service providers and community organizations to respond to these crimes. In addition, the grant supports the provision of services to the victims of such violence, and encourages communities to work in coordination to develop education and prevention strategies directed toward these issues. The purpose of Grant Number 2012-WH-AX-0035 was also to provide assistance to victims of sexual assault, domestic violence, dating violence, and stalking. In addition, participants were in need of housing assistance and lacked access to other adequate services.

The objective of this audit was to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions. To accomplish this objective, we assessed performance in the following areas of grant management: financial management, program performance, expenditures, budget management and control, drawdowns, and federal financial reports. The criteria we audited against are contained in the Office of Justice Programs (OJP) Financial Guide or the Office on Violence Against Women Financial Guide and the grant award documents.

As of March, 2015, the Lumbee Tribe had drawn down \$928,192 of the total grant funds awarded. We examined the Lumbee Tribe's accounting records, financial and progress reports, and operating policies and procedures and found that the Tribe did not comply with essential award conditions related to federal financial reports. The audit determined that the Lumbee Tribe inaccurately reported expenditures for both grants by \$174,215.

Our report contains one recommendation to OVW. Our audit objective, scope, and methodology are discussed in Appendix 1.

**AUDIT OF
THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS
AWARDED TO
THE LUMBEE TRIBE OF NORTH CAROLINA
PEMBROKE, NORTH CAROLINA**

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**AUDIT OF
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INTRODUCTION

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of grants awarded by the Office on Violence against Women (OVW) awarded to the Lumbee Tribe of North Carolina (Lumbee Tribe or Tribe) in Pembroke, North Carolina. The Lumbee Tribe was awarded three grants totaling \$2,173,926, as shown in Table 1.

Table 1

Grants Awarded to the Lumbee Tribe of North Carolina

AWARD NUMBER	AWARD DATE	PROJECT START DATE	PROJECT END DATE^a	AWARD AMOUNT
2011-WR-AX-0031	09/23/2011	10/01/2011	05/31/2015	\$937,289
2012-WH-AX-0035	09/19/2012	10/01/2012	05/31/2016	\$299,444
2014-WR-AX-0022	08/04/2014	10/01/2014	09/30/2017	\$937,193 ^b
Total				\$2,173,926

^a The project end date includes all award period extensions.

^b At the time of the audit, there was no activity for Grant Number 2014-WR-AX-0022.

Source: The Office of Justice Programs' Grant Management System

The grants support the safety of rural victims of sexual assault, domestic and dating violence, stalking, and support projects uniquely designed to address and prevent crimes in rural areas. The funding also supports programs that provide assistance to victims of sexual assault, domestic and dating violence, and stalking who are in need of transitional housing, short-term housing assistance, and related support services.

Background

Lumbee Tribe of North Carolina

The Lumbee Tribe office is located about 12 miles west of Lumberton in Pembroke, North Carolina. Pembroke is a town in Robeson County, which is the largest county in North Carolina and comprises 948 square miles. The Lumbee Tribe includes more than one-half of North Carolina's indigenous population of 84,000. The Lumbee Tribe is the largest tribe east of the Mississippi River, and the ninth largest tribal nation in the United States.

Office on Violence Against Women

The mission of the Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program is to implement certain provisions of the Violence Against Women Act, the Violence Against Women Act of 2000, and the Violence Against Women and Department of Justice Reauthorization Act of 2005. The primary purpose of the program is to enhance victim safety in cases of domestic violence, dating violence, sexual assault, and stalking in rural areas by encouraging collaborative partnerships among criminal justice agencies, victim service providers and community organizations to respond to these crimes. In addition, the program supports the provision of services to the victims of such violence, encourages communities to work in coordination to develop education and prevention strategies directed toward these issues, and provides housing assistance for victims.

OIG Audit Approach

The objective of this audit was to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions. To accomplish this objective, we assessed performance in the following areas of grant management: financial management, program performance, expenditures, budget management and control, drawdowns, and federal financial reports.

We tested compliance with what we consider to be the most important conditions of the grants. The criteria we audited against are contained in the Office of Justice Programs (OJP) Financial Guide or the Office on Violence Against Women Financial Guide and the award documents. The results of our analysis are discussed in detail in the Findings and Recommendation section of this report. Appendix 1 contains additional information on this audit's objective, scope, and methodology.

FINDINGS AND RECOMMENDATION

The Lumbee Tribe did not comply with requirements for financial reports. Federal Financial Reports submitted were inaccurate because those reports were not based on the actual accounting expenditures for each quarterly reporting period. Consequently, we make one recommendation to improve the management of DOJ grants.

Grant Financial Management

According to the Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. We reviewed the Single Audit Report for 2013 to identify any control weaknesses and significant non-compliance issues related to the Lumbee Tribe. We also conducted interviews with financial staff, examined policy and procedures, and inspected grant documents to determine whether the Tribe's financial management processes adequately safeguard grant funds and ensure compliance with the terms and conditions of the grant based on our review, we did not identify deficiencies with the Lumbee Tribe's financial management processes for safeguarding grant funds.

Program Performance and Accomplishments

Award goals and accomplishments should be based on measurable outcomes. The *Government Performance and Results Act (GPRA)* of 1993 and the *GPRA Modernization Act of 2010* provide a framework for setting goals, measuring progress, and using data to improve performance. To measure progress, award recipients should establish a baseline measure and a system for collecting and analyzing data needed to measure progress.

To identify specific objectives for the grants covered in our audit, we reviewed grant applications submitted by the Lumbee Tribe for Grant Numbers 2011-WR-AX-0031 and 2012-WH-AX-0035. We identified a total of 13 objectives for the 2 grants and compared each of the objectives to the supporting documentation provided by the grantee. As noted in Table 2, the Lumbee Tribe had support to show it accomplished all of the grant objectives.

Table 2**Objectives for Lumbee Tribe of North Carolina Grants**

Count	Grant Number	Objectives	Accomplishment Supported by Documentation
1	2011-WR-AX-0031	Cultivate balanced, independent lives through culturally specific program services.	Yes
2		Increase the number of American Indian women and children survivors.	Yes
3		To creatively promote program visibility in efforts to reach victims that may reside in the most remote areas of Robeson County.	Yes
4		To address barriers to accessibility of program services.	Yes
5		Provide a safe haven for victims.	Yes
6		Provide advocacy for victims of domestic violence, dating violence, sexual assault and stalking.	Yes
7		Expand and increase victim's services to American Indian women and children that are victims of domestic violence, dating violence, sexual assault and/or stalking.	Yes
8		Reduce the occurrences of domestic violence, dating violence, sexual assault, and stalking through awareness and preventive services.	Yes
Count	Grant Number	Objectives	Accomplishment Supported by Documentation
9	2012-WH-AX-0035	Cultivate balanced, independent lives through culturally specific program services.	Yes
10		Increase transitional housing/safe havens for victims.	Yes
11		Expand and increase victim(s) supportive services.	Yes
12		Increase the number of American Indian women and children survivors.	Yes
13		Increase the number of American Indian women and children survivors acquiring permanent housing.	Yes

Source: OIG analysis of Lumbee's records

Categorical Assistance Progress Reports

According to the Financial Guide, progress reports are prepared twice a year and are used to describe performance of activities or the accomplishment of objectives as set forth in the award application. Progress reports must be submitted within 30 days of the end of the reporting periods, which are June 30 and December 31. To determine whether the progress reports submitted by the Lumbee Tribe accurately reflected the activity of the grant, we tested the

13 grant-funded activities described in progress reports for the periods ending June 30, 2014, and December 31, 2014. These were the most recent reports filed at the time of our audit work.

We also tested the progress reports for completeness and accuracy by comparing all of the program accomplishments described in the reports for each grant to the grant application and supporting documentation maintained by the Lumbee Tribe. We determined that the Lumbee Tribe's progress reports were complete and accurate. The Lumbee Tribe reported actual accomplishments in accordance with the program goals and objectives outlined in the grant application.

Grant Expenditures

According to the Financial Guide, allowable costs are those identified in Office of Management and Budget Circulars and the award program's authorizing legislation. In addition, costs must be reasonable, allocable, and necessary to the project, and comply with funding statute requirements. We reviewed the Lumbee Tribe's grant expenditures to determine if the expenditures were allowable, properly approved, accurately recorded in the accounting records, supported by appropriate documentation, and properly charged.

The Lumbee Tribe received budget approval for costs related to personnel, travel, equipment, supplies, contractual, and other direct cost expenditures. The Lumbee Tribe did not have a match requirement. We tested \$160,880 (13 percent) of the \$1,236,733 in combined awards. We reviewed accounting records and performed verification testing related to the grant expenditures. We found no material errors in the expenditures tested. We identified two transactions valued at a total of \$142 that were improperly charged to Grant Number 2011-WR-AX-0031. For one \$94 transaction the cost recorded was not fully supported by the invoice. A payroll expenditure included a transaction for 3 hours of overtime valued at \$48, but the overtime was not an approved budget item. Because of the minimal value of these costs, we do not question the expenditures and make no recommendation.

Budget Management and Control

According to the Financial Guide, the recipient is responsible for establishing and maintaining an adequate system of accounting and internal controls, which includes presenting and classifying projected historical cost of the grant as required for budgetary and evaluation purposes, and providing financial data for planning, control, measurement, and evaluation of direct and indirect costs. Grantees are required to submit a Grant Adjustment Notice if: the proposed cumulative change to the approved budget is greater than 10 percent of the total award amount, there is any dollar increase or decrease to the indirect cost category of an approved

budget, there were expenses incurred in a cost category not included in the original budget, or there is a change in the project scope.¹

To ensure the Lumbee Tribe complied with the Financial Guide requirements, we reviewed the budgets submitted for the OVW awards and compared grant expenditures to the approved budgets. Upon completion of analyses in the areas of personnel, travel, equipment, supplies, contracts, and other costs we concluded that the Lumbee Tribe had properly managed its awards budgets.

Drawdowns

According to the Financial Guide, funds should be requested based upon immediate disbursement or reimbursement need. Drawdown requests should be timed to ensure that federal cash on hand is the minimum needed for disbursements or reimbursements to be made immediately or within 10 days.

The Lumbee Tribe Finance Director told us that drawdowns are requested in advance for award expenses. Once all approved, purchase orders and check requests are recorded in the accounting records and a check/voucher register or payroll register is generated for review and approval by the Finance Director. These reports become the basis for the drawdown. As of March 2015, the Lumbee Tribe had drawn down for both grants a total of \$928,192 as shown in the table below.

Table 3

Summary of Lumbee Tribe Drawdowns

GRANT NUMBER	DRAWDOWN DATE	TOTAL DRAWDOWN
2011-WR-AX-0031	03/12/2015	\$ 825,837
2012-WH-AX-0035	02/23/2015	\$ 102,355
Total		\$ 928,192

Source: OJP's Accounting Module

We compared eight drawdowns totaling \$49,770 to the Lumbee Tribe's accounting records and found that each drawdown matched the accounting records.

We found that for Grant Number 2011-WR-AX-0031 drawdown numbers 44 and 45 exceeded the allowed 10 days for the immediate disbursement of funds, as shown below.

¹ A Grant Adjustment Notice is a request to make a programmatic, administrative, or financial change to a grant. A Grant Adjustment Notice may be submitted by the recipient, grant manager, or automatically generated by the Grant Management System.

- a. Drawdown Number 44: 28 expenditures with a total value of \$10,456 were disbursed between 12 and 46 days after the allowed 10 days for the immediate disbursement of funds drawn down.
- b. Drawdown Number 45: 58 expenditures with a total value of \$25,774 were disbursed between 1 and 30 days after the allowed 10 days for the immediate disbursement of funds drawn down.

We discussed with Lumbee Tribe officials the reasons for the expenditure of grant funds more than 10 days after the funds were drawn. According to the Finance Director, on September 30, 2013, the Tribe received an e-mail from OVW regarding a potential government shutdown and how it would affect grantees, specifically with regard to drawing down funds and submitting financial reports. Based on the e-mail, the Tribe drew down excess grant funds in anticipation of a government shutdown that could restrict access to such funds. The Finance Director told us the Tribe did not take into consideration the need to ensure that federal cash on hand is the minimum needed for disbursements/reimbursements to be made immediately or within 10 days. The Finance Director told us that as a result of the above notice, the Tribe implemented corrective action in which: (1) all staff have been trained on the 2013 OVW Financial Grant Management Guide; (2) the staff reviewed the Frequently Asked Questions; and (3) a semi-annual review of financial procedures. We requested, and the Finance Director provided, documentation supporting that these corrective actions have been implemented. Consequently, we make no recommendation.

Federal Financial Reports

According to the Financial Guide, recipients must report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report. Recipients must report expenditures online using the Federal Financial Report (FFR) no later than 30 days after the end of each calendar quarter. To determine whether the FFRs submitted by the Lumbee Tribe accurately reflected grant expenditures, for each grant we tested the four FFRs submitted for April 1, 2014 through March 31, 2015. We compared the FFRs to the expenditures in the accounting records.

We found that the FFRs did not match the Lumbee Tribe's accounting records for both of the grants. We discussed this condition with the Finance Director who told us that the Tribe will develop procedures to ensure accurate preparation of financial reports. However, no such procedures had been provided to us as of February 8, 2016. The inaccurate FFRs do not provide the necessary information to the DOJ agency reviewing the grant activity to ensure compliance with grant requirements. The inaccurate FFRs also do not show the correct amount of grant expenditures making it difficult to determine if the Lumbee Tribe properly supported its grant transactions through the grant period.

We recommend that the Lumbee Tribe provide accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.

Table 4

Grant Number 2011-WR-AX-0031

Period Ending	Expenditures Per FFR	Expenditures Per Lumbee's Accounting Records	Difference
06/30/2014	\$75,278	\$64,535	\$-10,743
09/30/2014	60,460	83,193	22,733
12/31/2014	81,699	84,313	2,614
03/31/2015	0	104,380	104,380
Total			\$118,984

Source: OIG analysis of Lumbee's award records

Table 5

Grant Number 2012-WH-AX-0035

Period Ending	Expenditures Per FFR	Expenditures Per Lumbee's Accounting Records	Difference
06/30/2014	\$10,409	\$13,937	\$3,528
09/30/2014	8,292	5,477	-2,814
12/31/2014	16,129	20,100	3,971
03/31/2015	0	50,546	50,546
Total			\$55,231

Source: OIG analysis of Lumbee's award records

Conclusion

The objective of this audit was to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions. We examined the Lumbee Tribe's accounting records, budget documents, financial and progress reports, and financial management procedures. We found that the Lumbee Tribe did not comply with essential award conditions related to Federal Financial Reports. The audit determined that the Lumbee Tribe inaccurately reported expenditures for both grants. We made one recommendation that Lumbee Tribe accurately report expenditures so that their financial reports and accounting records match.

Recommendation

We recommend that OVW:

1. Ensure that the Lumbee Tribe provides accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this audit was to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions. To accomplish this objective, we assessed performance in the following areas of grant management: financial management, program performance, expenditures, budget management and control, drawdowns, and federal financial reports.

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.

This was an audit of the Office on Violence Against Women grants awarded to the Lumbee Tribe of North Carolina. We audited Rural Assistance Grant Number 2011-WR-AX-0031 and Transitional Housing Assistance Grant Number 2012-WH-AX-0035. No funds had been drawn down for Transitional Housing Assistance Grant Number 2014-WR-AX-0022 at the time of our review. Our audit concentrated on, but was not limited to, September 23, 2011 through April 1, 2015, which includes the award periods for Grant Numbers 2011-WR-AX-0031 and 2012-WH-AX-0035. Grant 2011-WR-AX-0031 closed on August 30, 2015. The Lumbee Tribe also submitted drawdown requests and received the last payment on July 24, 2015. The Lumbee Tribe had a remaining balance of \$12,129, which was reported on the final FFR 15, submitted on August 28, 2015. Grant Adjustment Notice 28, issued on August 30, 2015, placed a hold on the remaining funds of \$12,129 because the submitted closeout package is under review.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of the Lumbee Tribe's activities related to the audited grants. The criteria we audit against are contained in the OJP Financial Guide or the OVW Financial Guide and the award documents. In conducting our audit, we tested the following:

- **Grant Financial Management.** To determine whether the Lumbee Tribe's financial management procedures adequately safeguard grant funds and ensure compliance with grant conditions, we also conducted interviews with financial staff, examined policy and procedures, and inspected grant documents to determine whether the Tribe's grant financial management processes adequately safeguard grant funds and ensure compliance with the terms and conditions of the grant. We reviewed the Single Audit Report for 2013 to identify control weaknesses and significant non-compliance issues related to the Tribe.

Our review of the Lumbee Tribe's financial management system was specific to the management of DOJ funds selected for this audit. We did not test the reliability of the financial management system as a whole. We reviewed grant-related procedures in place for grant expenditures, budget management and control, drawdowns, and federal financial reports. The internal control deficiencies that are significant within the context of our objectives are addressed in our report and recommendations.

- **Program Performance and Accomplishments.** To determine if the Lumbee Tribe met or can meet the grants' objectives and whether the Tribe collected the data and developed the performance measures necessary to assess the accomplishment of its objectives for Grant Numbers 2011-WR-AX-0331 and 2012-WH-AX-0035, we reviewed the Tribe's progress reports to determine if they were meeting the goals established in the grant applications.

We also performed limited testing of the last Categorical Assistance Progress Reports for both grants to ensure the reports accurately reflected award activity by testing the accomplishments described in the last two Categorical Assistance Progress Reports.

- **Grant Expenditures.** To determine the accuracy, support, and allowability of expenditures that the Lumbee Tribe allocated or charged to the grant with respect to the applicable laws, regulations, guidelines, and terms and conditions of the grant, we reviewed source documentation for a judgmentally selected sample of 119 transactions listed in the accounting records for Grant Numbers 2011-WR-AX-0031 and 2012-WH-AX-0035. The accounting records included expenditures related to personnel, travel, equipment, supplies, contractual, and other direct cost expenditures.
- **Budget Management and Control.** To ensure the Lumbee Tribe was in compliance with the Financial Guide requirements, we reviewed the budgets submitted for the OVW grants and compared the Tribe's grants expenditures to the approved budgets.
- **Drawdowns.** To assess whether the Lumbee Tribe adequately supported grant drawdowns and managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records.
- **Federal Financial Reporting.** To determine whether the FFRs submitted by the Lumbee Tribe accurately reflected the activity of the grant; we performed limited testing of the last four FFRs submitted. We compared FFRs to the expenditures in the accounting records.

In conducting our audit, we performed sample-based audit testing for grant expenditures and drawdowns. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed, such

as dollar amounts or risk of loss. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

During our audit, we obtained information from OJP's Grant Management System as well as the Lumbee Tribe's accounting system. We did not test the reliability of those systems as a whole; therefore, any findings identified involving information from those systems was verified with documentation from other sources.

APPENDIX 2

OFFICE ON VIOLENCE AGAINST WOMEN RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

Office on Violence Against Women

Washington, DC 20530

March 22, 2016

MEMORANDUM

TO: Ferris B. Polk
Regional Audit Manager
Atlanta Regional Audit Office

FROM: Bea Hanson 
Principal Deputy Director
Office on Violence Against Women

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

SUBJECT: Audit Report - Audit of the Office of Justice Programs and Office
on Violence Against Women (OVW) Grants Awarded to the
Lumbee Tribe of North Carolina, Pembroke, North Carolina

This memorandum is in response to your correspondence dated February 19, 2016 transmitting the above draft audit report for the Lumbee Tribe of North Carolina. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains 1 recommendation and OVW is committed to working with the grantee to address and bring the recommendation to a close as quickly as possible. The following is our analysis of the audit recommendations.

1. Ensure that the Lumbee Tribe provides accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.

OVW does agree with the recommendation. We will coordinate with the grantee to ensure provides accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.

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 Donna Simmons
Associate Director, Grants Financial Management Division
Office on Violence Against Women (OVW)

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

Darla Sims
Program Manager
Office on Violence Against Women (OVW)

LUMBEE TRIBE OF NORTH CAROLINA
RESPONSE TO THE DRAFT REPORT



Lumbee Tribe of North Carolina

February 23, 2016

Charlotte Turpin
Grant Program Specialist
DOJ/Office on Violence Against Women
145 N Street NE, 10th Floor
Washington, DC 20530

Sharon Elliott
Program Manager
Office on Violence Against Women
United States Department of Justice
145 N Street, NE, 10th floor
Washington, DC 20530

Re: Response to the 2015 Draft Report

Thank you for the opportunity to address the audit finding that is outlined in the 2015 Draft Audit Report.

Please be assured that the Lumbee Tribe has taken the needed action to correct the finding and will continue to implement internal controls that will ensure strict compliance with Department of Justice Regulations.

The following is in response to the 2015 Draft Audit Report:

According to the *Financial Guide*, recipients must report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report. Recipients must report expenditures online using the Federal Financial Report (FFR) no later than 30 days after the end of each calendar quarter.

Condition

The United States Department of Justice, Office of the Inspector General found that the FFRs did not match the Lumbee Tribe's accounting records for both of the grants. We discussed this condition with the Finance Director who told us that the Tribe will develop procedures to ensure accurate preparation of financial reports. However, no such procedures had been provided to us as of February 8, 2016. The inaccurate FFRs do not provide the necessary information to the DOJ agency reviewing the grant activity to ensure compliance with grant requirements. The inaccurate FFRs also do not show the correct amount of grant expenditures making it difficult to determine if the Lumbee Tribe properly supported its grant transactions through the grant period.

Recommendation

We recommend that OVW:

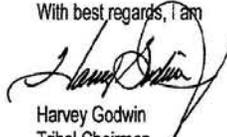
1. Ensure that the Lumbee Tribe provides accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.

Corrective Action Plan by the Office of Finance

The Lumbee Tribe FFR's are prepared quarterly per grant guidance. The Finance Office will prepare a report of expenditures from the accounting software for the required quarterly reporting period. The expenditure report will be reviewed by the Finance Director along with the report preparer and compared to the drawdowns for the same period. Both individuals will acknowledge by signature and date that the expenditure report is accurate. The FFR will be prepared and submitted electronically in compliance with DOJ guidance. The expenditure report will be attached to the hard copy of the FFR and filed accordingly in the Finance Office.

It is the Lumbee Tribe's desire to consistently improve our internal controls, so that we may better serve our enrolled tribal members and we want to thank the Department of Justice

With best regards, I am

A handwritten signature in black ink, appearing to read "Harvey Godwin", written over a circular stamp or seal.

Harvey Godwin
Tribal Chairman

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

The Office of the Inspector General (OIG) provided a draft of this audit report to the Office on Violence Against Women (OVW) and the Lumbee Nation of North Carolina (Lumbee Tribe). The OVW response is incorporated in Appendix 2, while Lumbee Tribe response is incorporated in Appendix 3. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendation:

- 1. Ensure that the Lumbee Tribe provides accurate financial reporting for the expenditure of grant funds by ensuring that expenditures in the FFRs match the expenditures in the accounting records.**

Resolved. OVW concurred with our recommendation. OVW stated in its response that it will coordinate with the Lumbee Tribe to ensure that Lumbee Tribe provides accurate financial reporting of grant expenditures and that the financial reports match the accounting records.

The Lumbee Tribe also concurred with our recommendation and provided a statement on a corrective action plan by its Office of Finance. The plan states that the Finance Officer will prepare grant expenditure reports and the Finance Director will review and compare the reports to grant drawdowns. Both the Finance Officer and Finance Director will acknowledge the accuracy of the expenditure report prior to submission to OVW. .

This recommendation can be closed when we receive and review documentation that OVW has coordinated with the Lumbee Tribe and is assured that its financial reports for grant expenditures are accurate and match the accounting records.

The Department of Justice Office of the Inspector General (DOJ OIG) is a statutorily created independent entity whose mission is to detect and deter waste, fraud, abuse, and misconduct in the Department of Justice, and to promote economy and efficiency in the Department's operations. Information may be reported to the DOJ OIG's hotline at www.justice.gov/oig/hotline or (800) 869-4499.



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