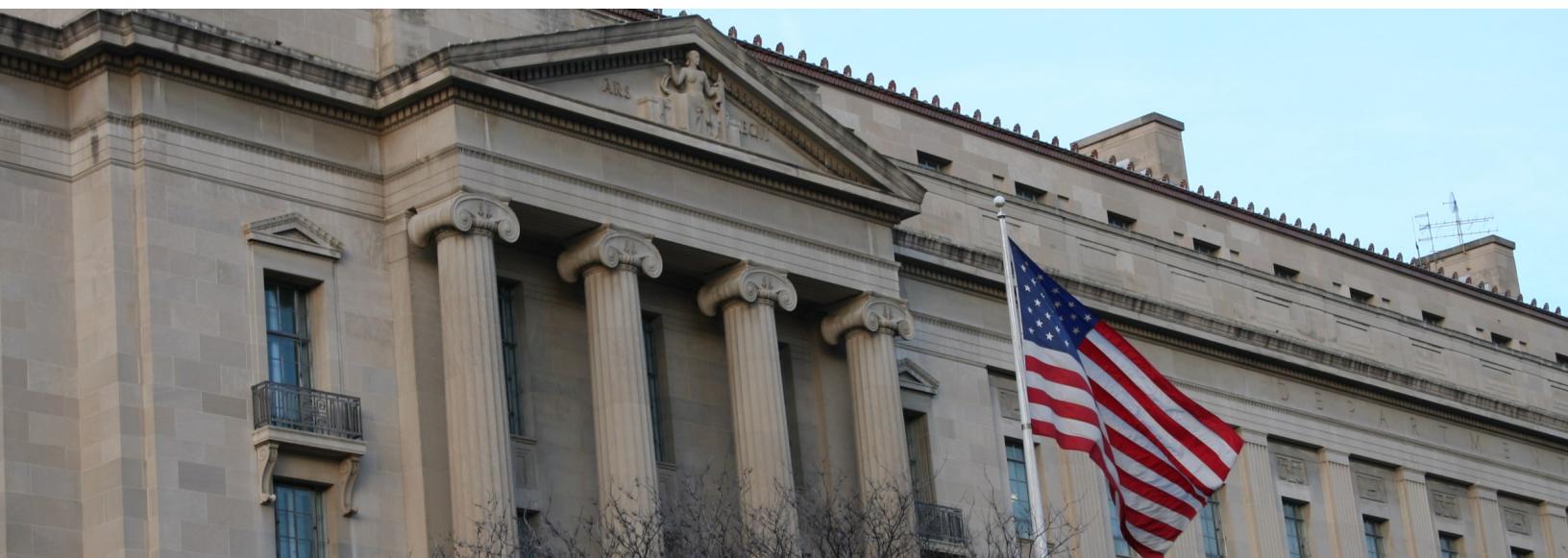




# **Office of the Inspector General**

## **U.S. Department of Justice**

**OVERSIGHT ★ INTEGRITY ★ GUIDANCE**



# **Audit of the Office on Violence Against Women Grants Awarded to SAHELI, Inc., dba Asian Family Support Services of Austin Austin, Texas**



# Executive Summary

*Audit of the Office on Violence Against Women Grants Awarded to SAHELI, Inc., dba Asian Family Support Services of Austin  
Austin, Texas*

## Objectives

The Office on Violence Against Women (OVW) awarded SAHELI, Inc., dba Asian Family Support Services of Austin (AFSSA), four grants totaling \$1,259,185. The objectives of this audit were to determine whether costs claimed under the awards were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards; and to determine whether the recipient demonstrated adequate progress towards achieving program goals and objectives.

## Results in Brief

As a result of our audit, we concluded that there were no indications that AFSSA was not adequately achieving the stated goals and objectives of the award. However, we found that AFSSA did not comply with essential award conditions related to the use of award funds and internal controls. Specifically, we found that AFSSA charged unallowable and unsupported other direct costs to one of the awards. We also identified an internal control issue related to the Executive Director approving her own expenses. In addition, we found that the financial policies and procedures need to be strengthened. Finally, we found that AFSSA did not identify its indirect costs separately on its Federal Financial Reports (FFRs). As a result of these deficiencies, we identified \$5,845 in questioned costs.

## Recommendations

Our report contains five recommendations to OVW to remedy the questioned costs and assist AFSSA in improving its award management and administration. We discussed the results of our audit with AFSSA officials and have included their comments in the report, as applicable. We requested a response to our draft report from AFSSA and OVW, which can be found in Appendices 3 and 4, respectively. Our analysis of those responses is included in Appendix 5.

## Audit Results

The purposes of the four awards we reviewed were to serve culturally specific and targeted communities to address sexual assault, domestic violence, and stalking victims; and to provide transitional housing assistance to these victims. Our audit generally reviewed grant activity from September 2013 through December 2017. AFSSA drew down a cumulative amount of \$736,349 for all of the awards we reviewed.

**Program Performance and Accomplishments** - We reviewed AFSSA's stated accomplishments for the awards and found no indications that it was not on track toward achieving the program goals.

**Award Financial Management** – We identified an internal control issue related to the Executive Director approving invoices for her own grant-related expenses, such as travel. In addition, she signed the checks made out to herself for grant-related expenses. Although there was no evidence of misuse of funds, without proper oversight, this practice could expose federal funds to potential fraud. We also noted that AFSSA's financial policies and procedures did not have specific language regarding the handling of accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, or performance measurements.

**Other Direct Costs** – We identified \$5,845 in questioned costs related to \$5,627 in unallowable expenses for promotional items, gifts, trinkets, party supplies, office decorations, and other items that were not included in the award budgets or a Grant Adjustment Notice, and \$218 in unsupported costs related to insufficient support for a hotel expense.

**Federal Financial Reports** – We determined that AFSSA did not identify the indirect costs separately on the reports for one of the awards.

**AUDIT OF THE OFFICE ON VIOLENCE AGAINST  
WOMEN GRANTS AWARDED TO SAHELI, INC.,  
DBA ASIAN FAMILY SUPPORT SERVICES OF AUSTIN  
AUSTIN, TEXAS**

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**AUDIT OF THE OFFICE ON VIOLENCE AGAINST  
WOMEN GRANTS AWARDED TO SAHELI, INC.,  
DBA ASIAN FAMILY SUPPORT SERVICES OF AUSTIN  
AUSTIN, TEXAS**

**INTRODUCTION**

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of four grants awarded by the Office on Violence Against Women (OVW) to SAHELI, Inc., dba Asian Family Support Services of Austin (AFSSA), in Austin, Texas. AFSSA was awarded four grants totaling \$1,259,185, as shown in Table 1.

**Table 1**  
**Grants Awarded to AFSSA**

<b>Award Number</b>	<b>Program Office</b>	<b>Award Date</b>	<b>Project Start Date</b>	<b>Project End Date</b>	<b>Award Amount</b>
2013-KS-AX-0008	OVW	09/23/2013	10/01/2013	09/30/2017	\$294,375
2014-UW-AX-0009	OVW	08/18/2014	10/01/2014	09/30/2017	\$299,450
2015-WH-AX-0016	OVW	09/21/2015	10/01/2015	09/30/2018	\$338,360
2016-KS-AX-0009	OVW	09/08/2016	10/01/2016	09/30/2019	\$327,000
<b>Total:</b>					<b>\$1,259,185</b>

Source: OJP's Grants Management System

Award Numbers 2013-KS-AX-0008 and 2016-KS-AX-0009 were funded through the Sexual Assault Services Culturally Specific Grant Program that targets nonprofit organizations, which focus primarily on culturally specific communities and have expertise in the area of sexual assault or who partner with an organization having such expertise. Award Number 2014-UW-AX-0009 was funded through the Grants to Enhance Culturally Specific Services for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program that supports targeted community-based organizations in their efforts to service victims of sexual assault, domestic violence, and stalking in a manner that affirms the culture of the victim and effectively addresses language and communications barriers. Award Number 2015-WH-AX-0016 was funded through the Transitional Housing Grant Assistance Program for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program, which provides a holistic, victim-centered approach for victims of domestic violence, sexual assault, dating violence or stalking to move through transitional housing and support services into permanent housing.

**The Grantee**

AFSSA is a nonprofit organization based in Austin, Texas, that provides assistance to Asian and other immigrant families dealing with domestic violence, sexual assault, and trafficking. Its mission is to promote abuse-free Asian communities through advocacy, support, awareness, and access to social services. AFSSA specifically addresses the cultural and language needs of Asian and other immigrant families affected by domestic violence. AFSSA's values and mission are

reflected in its programs, which integrate culture and language specific direct services, educational programs, and community-based initiatives and advocacy.<sup>1</sup>

## **OIG Audit Approach**

The objectives of this audit were to determine whether costs claimed under the award were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the award; and to determine whether the recipient demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of award management: financial management, federal financial reports, budget management and control, drawdowns, expenditures, and program performance.

We tested compliance with what we consider to be the most important conditions of the award. The 2012 OJP Financial Guide, 2014 OJP Financial Guide, 2015 DOJ Grants Financial Guide, and the award documents contain the primary criteria we applied during the audit.

The results of our analysis are discussed in detail later in this report. Appendix 1 contains additional information on this audit's objectives, scope, and methodology. The Schedule of Dollar-Related Findings appears in Appendix 2.

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<sup>1</sup> Statements of mission and intent regarding AFSSA have been taken from the agency's website directly (unaudited).

## AUDIT RESULTS

### Program Performance and Accomplishments

We reviewed required performance reports, award documentation, and interviewed recipient officials to determine whether AFSSA demonstrated adequate progress towards achieving the program goals and objectives. We also reviewed the progress reports, to determine if the required reports were accurate. Finally, we reviewed AFSSA's compliance with the special conditions identified in the award documentation.

#### *Program Goals and Objectives*

The goals and objectives for each award included the following:

- Award Numbers 2013-KS-AX-0008 and 2016-KS-AX-0009 – expand Austin's capacity to serve sexual assault victims from the different Asian communities and increase awareness of sexual assault and victim resources within culturally and linguistically isolated communities.
- Award Number 2014-UW-AX-0009 – (1) ensure Asian immigrant survivors of domestic violence are provided services and outreach that culturally resonates with them and meets their language needs; (2) increase the Asian immigrant community's access to core victim services; (3) increase the region's language capacity to meet the extremely diverse linguistic and cultural needs of Asian immigrant survivors; (4) expand, enhance and tailor community education and outreach strategies for specific Asian immigrant communities; and (5) increase knowledge on the best practices for culturally-specific and trauma-informed services.
- Award Number 2015-WH-AX-0016 – (1) increase access to transitional housing units for those who face barriers participating in mainstream programs; (2) reduce the risk of homelessness by increasing housing resources for immigrant survivors; (3) provide comprehensive supportive services to transitional housing clients; and (4) increase self-sufficiency and independence for immigrant survivors through culturally and linguistically relevant economic empowerment services.

Based on our review, there were no indications that AFSSA was not adequately achieving the stated goals and objectives of the awards.

#### *Required Performance Reports*

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, the funding recipient should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the program solicitation. In order to verify the information in the progress reports we selected a sample of 16 quantifiable performance measures

from the two most recent reports submitted for each award for a total sample size of 48.<sup>2</sup> We then traced the items to supporting documentation maintained by AFSSA.

Based on our progress report testing, we concluded that the accomplishments described in the progress reports generally matched the supporting documentation.

#### *Compliance with Special Conditions*

Special conditions are the terms and conditions that are included with the awards. We evaluated the special conditions for each award and selected a judgmental sample of the requirements that are significant to performance under the award and are not addressed in another section of this report. Based on our review, we did not identify any instances of AFSSA violating the special conditions of the awards.

### **Award Financial Management**

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide all award recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. To assess AFSSA's financial management of the awards covered by this audit, we conducted interviews with financial staff, examined policy and procedures, and inspected award documents to determine whether AFSSA adequately safeguards the award funds we audited. Finally, we performed testing in the areas that were relevant for the management of the awards, as discussed throughout this report.

We identified weaknesses in AFSSA's financial management. Specifically, we found that AFSSA charged unallowable and unsupported other direct costs to Award Number 2013-KS-AX-0008. We also noted an internal control issue related to the fact that the Executive Director approved invoices for her own grant-related expenses, such as travel. In addition, she signed the checks made out to herself for grant-related expenses. Although there was no evidence of misuse of funds, without proper oversight, this practice could expose federal funds to potential fraud. Therefore, we recommend OVW ensure that AFSSA develops policies and procedures to ensure that a Board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.

We also found that AFSSA's written accounting and financial policies and procedures could be strengthened. We noted that the policies and procedures did not have specific language regarding the handling of accountable property, indirect costs, contract award management, program income, or performance measurements. Further, while we concluded that AFSSA was adequately monitoring its subrecipients, we found that it did not have a formal written policy

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<sup>2</sup> At the time of our review, no activity was reported on the progress reports for Award Number 2016-KS-AX-0009. Therefore, we could not test accomplishments for this award.

for awarding or monitoring its subrecipients. Therefore, we recommend that OVW work with AFSSA to ensure it strengthens its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.

Finally, we found that AFSSA did not identify its indirect costs separately on its Federal Financial Reports (FFRs). These deficiencies are discussed in more detail in the Other Direct Costs, Monitoring Subrecipients, and Federal Financial Reports sections of this report.

## Award Expenditures

For the awards in our scope, AFSSA's approved budgets included personnel and fringe benefits, travel, supplies, contractual, other direct costs, and indirect costs. To determine whether costs charged to the award were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of 132 transactions totaling \$70,226, which included 40 transactions totaling \$15,315 for Award Number 2013-KS-AX-0008, 36 transactions totaling \$22,385 for Award Number 2014-UW-AX-0009, 26 transactions totaling \$16,023 for Award Number 2015-WH-AX-0016, and 30 transactions totaling \$16,504 for Award Number 2016-KS-AX-0009. We reviewed documentation, accounting records, and performed verification testing related to award expenditures. As discussed in the following sections, we identified \$5,627 in unallowable questioned costs and \$218 in unsupported questioned costs.<sup>3</sup>

### *Personnel Costs*

As a part of our sample, we reviewed 36 payroll transactions totaling \$18,804, which included salary expenditures and fringe benefits rates for 2 non-consecutive pay periods for each award, to determine if labor charges were computed correctly, properly authorized, accurately recorded, and properly allocated to the award.

We determined that the payroll costs for the periods we tested were computed correctly, properly authorized, accurately recorded, and properly allocated to the award.

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<sup>3</sup> Throughout this report, differences in the total amounts are due to rounding. The sum of individual numbers prior to rounding may differ from the sum of the individual numbers rounded.

### *Contractor and Consultant Costs*

As a part of our sample, we reviewed the two contractors or consultants paid with grant funds totaling \$441 – one for Award Number 2014-UW-AX-0009 and one for Award Number 2015-WH-AX-0016 – to determine if charges were computed correctly, properly authorized, accurately recorded, and properly allocated to the award. In addition, we determined if rates, services, and total costs were in accordance with those allowed in the approved budgets.

Based on our review, we determined that charges were computed correctly, properly authorized, accurately recorded, and properly allocated to the awards. In addition, we concluded that the rates, services, and total costs were in accordance with those allowed in the approved budgets.

### *Other Direct Costs*

As part of our sample, we reviewed a total of 94 other direct costs transactions totaling \$50,981. Based on our analysis, we identified 21 unallowable and unsupported expenditures for Award Number 2013-KS-AX-0008. Specifically, we identified 20 transactions totaling \$5,627 in unallowable expenses that were not included in the award budgets or a Grant Adjustment Notice. The unallowable expenses included promotional items, gifts, trinkets, party supplies, office decorations, and other items that were not included in the award budgets or a Grant Adjustment Notice. In addition, we identified one unsupported transaction totaling \$218 for a hotel stay that was not supported by an invoice. Therefore, we recommend OVW remedy the \$5,627 in unallowable other direct costs and \$218 in unsupported other direct costs.

### *Indirect Costs*

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. We determined that indirect costs were approved in the budget for Award Number 2016-KS-AX-0009. We noted that AFSSA did not have its own negotiated indirect cost plan; rather, it charged indirect costs using the allowable de minimis rate of 10 percent of modified total direct costs. Based on our review, we determined that AFSSA charged indirect costs to the award using the allowable 10 percent rate.

### *Monitoring Subrecipients*

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, sub-awards are used when the intent is to have another organization help carry out a portion of the scope of work described in the award application. Award recipients are required during the program period to monitor the subrecipient's use of federal funds. As part of the subrecipient monitoring process, recipients need to develop systems, policies, and procedures to ensure that subrecipient activities are conducted in accordance with federal program and grant requirements, laws, and

regulations. We identified two subrecipients for Award Number 2014-UW-AX-0009 AFSSA utilized for the award program.<sup>4</sup> Based on our interviews with AFSSA officials, review of the contracts and agreements with subrecipients, and our analysis of subrecipient expenditures during Other Direct Cost testing, we concluded that AFSSA was providing adequate monitoring of its subrecipients. Subrecipients were reimbursed after providing adequate documentation for its expenses. This indicates that AFSSA was reviewing the documentation prior to reimbursing its subrecipients. However, as stated in the Award Financial Management section of this report, we noted that AFSSA did not have a written formal policy for monitoring subrecipients.

## **Budget Management and Control**

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, the recipient is responsible for establishing and maintaining an adequate accounting system, which includes the ability to compare actual expenditures or outlays with budgeted amounts for each award. Additionally, the recipient must initiate a Grant Adjustment Notice (GAN) for a budget modification that reallocates funds among budget categories if the proposed cumulative change is greater than 10 percent of the total award amount.

We compared award expenditures to the approved budgets for each award to determine whether AFSSA transferred funds among budget categories in excess of 10 percent. We determined that the cumulative difference between category expenditures and approved budget category totals was not greater than 10 percent.

## **Drawdowns**

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, an adequate accounting system should be established to maintain documentation to support all receipts of federal funds. If, at the end of the award, recipients have drawn down funds in excess of federal expenditures, unused funds must be returned to the awarding agency. As of October 31, 2017, AFSSA had drawn down a total of \$736,349 from the four awards in our review.

To assess whether AFSSA managed award receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records.

During this audit, we did not identify significant deficiencies related to the recipient's process for developing drawdown requests. However, we identified deficiencies and questioned costs related to compliance of individual expenditures

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<sup>4</sup> We noted that the subrecipient costs originally budgeted for Award Number 2015-WH-AX-0016 were subsequently reallocated to the other costs budget category. In addition, the vendor was never utilized nor did it receive any funds from the grant. AFSSA officials stated that the vendor's transitional housing units were rarely available and they had to use other vendors for its clients.

with award rules. We address those deficiencies in the Award Expenditures section in this report.

## **Federal Financial Reports**

According to the OJP Financial Guides and the 2015 DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. In addition, Recipients will report the summary information on indirect costs for each quarter of the project. To determine whether AFSSA submitted accurate FFRs, we compared the four most recent reports for each award to AFSSA's accounting records.

We determined that all quarterly and cumulative expenditures for the reports reviewed matched the accounting records for each award. However, we found that AFSSA did not identify the indirect costs separately on the FFRs for Award Number 2016-KS-AX-0009. Therefore, we recommend OVW ensure that AFSSA reports indirect costs separately on its FFRs.

## **CONCLUSION AND RECOMMENDATIONS**

The objectives of this audit were to determine whether costs claimed under the awards were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards; and to determine whether the recipient demonstrated adequate progress towards achieving program goals and objectives. We assessed AFSSA's program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports. Based on our audit testing, we identified \$5,845 in unallowable and unsupported questioned costs related to other direct costs. We also identified an internal control issue related to the fact that the Executive Director approved invoices for her own grant-related expenses, such as travel. We found that AFSSA's written accounting and financial policies and procedures could be strengthened. Finally, we found that AFSSA did not identify its indirect costs separately on its Federal Financial Reports (FFRs). We provide five recommendations to OVW to address these deficiencies.

We recommend that OVW:

1. Ensure that AFSSA develops policies and procedures to ensure that a Board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.
2. Ensure that AFSSA strengthens its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.
3. Remedy the \$5,627 in unallowable other direct questioned costs.
4. Remedy the \$218 in unsupported other direct questioned costs.
5. Ensure that AFSSA reports indirect costs separately on its FFRs.

## **APPENDIX 1**

### **OBJECTIVES, SCOPE, AND METHODOLOGY**

#### **Objectives**

The objectives of this audit were to determine whether costs claimed under the awards were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards; and to determine whether the recipient demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of award management: program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports.

#### **Scope and Methodology**

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 objective.

This was an audit of Office on Violence Against Women grants awarded to SAHELI, Inc., dba Asian Family Support Services of Austin (AFSSA) under the Sexual Assault Services Culturally Specific Grant Program, the Grants to Enhance Culturally Specific Services for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program, and the Transitional Housing Grant Assistance Program for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program. AFSSA was awarded \$1,259,185 under Award Numbers 2013-KS-AX-0008, 2014-UW-AX-0009, 2015-WH-AX-0016, and 2016-KS-AX-0009. As of October 31, 2017, AFSSA had drawn down a total of \$736,349 from the four awards in our review. Our audit concentrated on, but was not limited to September 23, 2013, the award date for Award Number 2013-KS-AX-0008, through December 1, 2017, the last day of our audit work. Award Numbers 2013-KS-AX-0008 and 2014-UW-AX-0009 ended on September 30, 2017, and Award Numbers 2015-WH-AX-0016 and 2016-KS-AX-0009 were ongoing at the time of our review.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of AFSSA's activities related to the audited awards. We performed sample-based audit testing for award expenditures including salaries and fringe benefit charges, contractor and consultant costs, other direct costs, financial reports, and progress reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the awards reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The 2012 and

2014 OJP Financial Guides, the 2015 DOJ Grants Financial Guide and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from OJP's Grants Management System, as well as AFSSA's accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

## APPENDIX 2

### SCHEDULE OF DOLLAR-RELATED FINDINGS

Description	Amount	Page
<b>Questioned Costs:<sup>5</sup></b>		
<b>Unallowable Costs</b>		
Other Direct Costs	\$5,627	6
<i>Total Unallowable Costs</i>	<i>\$5,627</i>	
<b>Unsupported Costs</b>		
Other Direct Costs	\$218	6
<i>Total Unsupported Costs</i>	<i>\$218</i>	
<b>Net Questioned Costs</b>	<b>\$5,845</b>	

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<sup>5</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 3

### SAHELI, INC., DBA ASIAN FAMILY SUPPORT SERVICES OF AUSTIN RESPONSE TO THE DRAFT AUDIT REPORT



May 25, 2018

David M. Sheeren  
Regional Audit Manager  
Denver Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
1120 Lincoln Street, Suite 1500  
Denver, CO 80203 Dear

Dear Mr. Sheeren,

SAHELI Inc. dba Asian Family Support Services of Austin is in receipt of the recommendations that have been provided as a result of the OIG audit. Please find our responses to the below findings:

1. Ensure that AFSSA develops policies and procedures to ensure that a Board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.

*We accept this finding and amend policies and procedures to ensure that a Board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid. Changes to our policies will be completed by July 15<sup>th</sup>, 2018.*

2. Ensure that AFSSA strengthens its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring sub recipients, program income, and performance measurements.

*We accept this finding and amend policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring sub recipients, program income, and performance measurements by July 15<sup>th</sup>, 2018.*

3. Remedy the \$5,627 in unallowable other direct questioned costs.

*We accept this finding and will work with OVW to remedy the \$5,627.00 in unallowable other direct questioned costs by August 31, 2018.*

4. Remedy the \$218 in unsupported other direct questioned costs.

*We accept this finding and will work with OVW to remedy the \$218 in unsupported other direct questioned costs by August 31, 2018.*

RESPECT. EMPOWERMENT. DIVERSITY.

P.O. BOX 14234, Austin, TX 78761 • PHONE 512-358-6318 • FAX 512.777.4539 • HOTLINE **1.877.281.8371** • [www.afssauustin.org](http://www.afssauustin.org)



5. Ensure that AFSSA reports indirect costs separately on its FFRs.

We accept this finding and will amend our protocols to report indirect costs separately on our FFRs by July 15<sup>th</sup>, 2018.

Please let us know if you have any questions in regards to the above responses. Thank you for your assistance during our OIG audit.

Sincerely,

Linda Phan  
Executive Director

RESPECT. EMPOWERMENT. DIVERSITY.

P.O. BOX 14234, Austin, TX 78761 • PHONE 512-358-6318 • FAX 512.777.4539 • HOTLINE **1.877.281.8371** • [www.afssaustin.org](http://www.afssaustin.org)

## APPENDIX 4

### OFFICE ON VIOLENCE AGAINST WOMEN RESPONSE TO THE DRAFT AUDIT REPORT



U.S. Department of Justice

Office on Violence Against Women

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Washington, DC 20530

May 24, 2018

#### MEMORANDUM

TO: David Sheeren  
Regional Audit Manager  
Denver Regional Audit Office

THROUGH: Nadine M. Neufville *NN*  
Deputy Director, Grants Development and Management

FROM: Rodney Samuels *RS*  
Audit Liaison/Staff Accountant

SUBJECT: Draft Audit Report - Audit of the Office on Violence Against Women (OVW) Technical Assistance Grants Awarded to SAHELI, Inc., dba Asian Family Support Services of Austin Austin, Texas

This memorandum is in response to your correspondence dated April 20, 2018 transmitting the above draft audit report for the Asian Family Support Service of Austin (AFSSA). We consider the subject report resolved and request written acceptance of this action from your office.

The report contains five recommendations and \$5,845 in questioned costs. The Office on Violence Against Women (OVW) is committed to working with the grantee to address and bring each recommendation to a close as quickly as possible. The following is our analysis of the audit recommendations.

**1. Ensure that AFSSA develops policies and procedures to ensure that a board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.**

OVW does agree with the recommendation. We will work with the grantee to ensure that they develop policies and procedures to ensure that a board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.

**MEMORANDUM**

**SUBJECT:** Update – Audit of the Office on Violence Against Women (OVW) Grants Awarded to SAHEL, Inc., dba Asian Family Support Services of Austin, Austin, Texas.

- 2. Ensure that AFSSA strengthens its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring recipients, program income, and performance measurements.**

OVW does agree with the recommendation. We will work with the grantee to ensure that they strengthen its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring recipients, program income, and performance measurements.

- 3. Remedy the \$5,627 in unallowable other direct questioned costs.**

OVW does agree with the recommendation. We will work with the grantee to ensure that they remedy the \$5,627 in unallowable other direct questioned costs.

- 4. Remedy the \$218 in unsupported other direct questioned costs.**

OVW does agree with the recommendation. We will work with the grantee to ensure that they remedy the \$218 in unsupported other direct questioned costs.

- 5. Ensure that AFSSA reports indirect costs separately on its FFRs.**

OVW does agree with the recommendation. We will work with the grantee to ensure that they report indirect costs separately on its FFRs.

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 at (202) 514-9820.

cc    Richard P. Theis  
         Director, Internal Review and Evaluation Office, Audit Liaison Group  
         Justice Management Division

Paule Tessier  
Program Manager  
Office on Violence Against Women (OVW)

Veronica Smith  
Program Manager  
Office on Violence Against Women (OVW)

Tonette Ngassa  
Program Manager  
Office on Violence Against Women (OVW)

## APPENDIX 5

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

The Department of Justice (DOJ) Office of the Inspector General (OIG) provided a draft of this audit report to AFSSA and OVW. AFSSA's response is incorporated in Appendix 3 and OVW's response is incorporated in Appendix 4 of this final report. In response to our draft audit report, OVW concurred with our recommendations and, as a result, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

#### **Recommendations for OVW:**

- 1. Ensure that AFSSA develops policies and procedures to ensure that a Board of Directors member review all expenses and sign the checks related to the Executive Director position prior to them being paid.**

Resolved. OVW concurred with our recommendation and stated in its response that it will work with AFSSA to develop policies and procedures to ensure that a Board of Directors member reviews all expenses and signs the checks related to the Executive Director position prior to them being paid.

AFSSA agreed with the recommendation and stated in its response that it will amend its policies and procedures to ensure that a Board of Directors member reviews all expenses and signs the checks related to the Executive Director position prior to them being paid.

This recommendation can be closed when we receive a copy of the updated policy requiring a Board of Directors member to review all expenses and sign the checks related to the Executive Director position prior to them being paid.

- 2. Ensure that AFSSA strengthens its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.**

Resolved. OVW concurred with our recommendation and stated in its response that it will work with AFSSA to strengthen its financial policies and procedures to include language regarding accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.

AFSSA agreed with the recommendation and stated in its response that it will amend its policies and procedures to include language regarding

accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.

This recommendation can be closed when we receive a copy of the updated policy that includes language regarding accountable property, indirect costs, contract award management, awarding and monitoring subrecipients, program income, and performance measurements.

### **3. Remedy the \$5,627 in unallowable other direct questioned costs.**

Resolved. OVW concurred with our recommendation and stated in its response that it will work with AFSSA to ensure that it remedies the \$5,627 in unallowable other direct questioned costs.

AFSSA agreed with the recommendation and stated in its response that it will work with OVW to remedy the \$5,627 in unallowable other direct questioned costs.

This recommendation can be closed when we receive documentation supporting that OVW has remedied the \$5,627 in unallowable other direct questioned costs.

### **4. Remedy the \$218 in unsupported other direct questioned costs.**

Resolved. OVW concurred with our recommendation and stated in its response that it will work with AFSSA to ensure that it remedies the \$218 in unsupported other direct questioned costs.

AFSSA agreed with the recommendation and stated in its response that it will work with OVW to remedy the \$218 in unsupported other direct questioned costs.

This recommendation can be closed when we receive documentation supporting that OVW has remedied the \$218 in unsupported other direct questioned costs.

### **5. Ensure that AFSSA reports indirect costs separately on its FFRs.**

Resolved. OVW concurred with our recommendation and stated in its response that it will work with AFSSA to ensure that it reports indirect costs separately on its FFRs.

AFSSA agreed with the recommendation and stated in its response that it will amend its protocols to report indirect costs separately on its FFRs.

This recommendation can be closed when we receive documentation supporting that indirect costs are reported separately on the FFRs.



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