



Audit of the Office of Justice Programs Victim  
Assistance Funds Subawarded by the Pennsylvania  
Commission on Crime and Delinquency to the  
Philadelphia Corporation for Aging,  
Philadelphia, Pennsylvania



AUDIT DIVISION

22-089

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**JULY 2022**

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# EXECUTIVE SUMMARY

## **Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Philadelphia Corporation for Aging, Philadelphia, Pennsylvania**

### **Background**

The U.S. Department of Justice, Office of Justice Programs (OJP) provided funds to the Pennsylvania Commission on Crime and Delinquency (PCCD) to make subawards to support victim assistance programs in the commonwealth of Pennsylvania. PCCD awarded \$1,165,272 in crime victim assistance funds to the Philadelphia Corporation for Aging (PCA) under one subaward in December 2020. The purpose of this subaward was to respond to older victims' emotional, financial, and physical needs by providing services to elderly victims of crime and eliminating or reducing the abuse, neglect, and exploitation that older victims experience. As of December 31, 2021, PCCD had reimbursed PCA for a cumulative amount of \$524,964 for the subaward we reviewed.

### **Audit Objective**

The objective of the audit was to review how PCA used these funds to assist crime victims and assess whether it accounted for these Crime Victims Fund (CVF) monies in compliance with select award requirements, terms, and conditions.

### **Audit Results**

We concluded that PCA provided services to elderly victims of crime in Philadelphia, Pennsylvania. However, we found that PCA could improve certain areas of its award management, to include continuity planning and financial management. We also found unapproved personnel costs charged to the award.

#### **Program Performance**

The audit concluded PCA did provide services to elderly victims of crime in Philadelphia; however, PCA lacked comprehensive written protocols specific to CVF-funded program operations to help ensure the continuity of operations.

#### **Financial Management**

The audit concluded PCA used an adequate financial management system to account for subawarded funds; however, PCA lacked comprehensive written policies and procedures outlining compliance with federal award requirements related to award administration and its Single Audit. As a result of our testing, we questioned \$1,439 in unallowable employee bonuses.

### **Recommendations**

Our report contains four recommendations to PCCD and OJP to assist PCA in improving its award management and administration and remedy questioned costs. We requested a response to our draft audit report from PCA, PCCD, and OJP officials; these responses can be found in Appendices 3, 4, and 5 respectively. Our analysis of those responses is included in Appendix 6.

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## Introduction

Established by the Victims of Crime Act (VOCA) of 1984, the Crime Victims Fund (CVF) supports crime victims through state and local victim assistance and compensation initiatives.<sup>1</sup> The Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of the Philadelphia Corporation for Aging’s (PCA) use of CVF funds subawarded by the Pennsylvania Commission on Crime and Delinquency (PCCD). The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) provided CVF victim assistance formula grants to PCCD as a state administering agency (SAA) for Pennsylvania to make CVF subawards to direct victim service providers across the commonwealth. As a direct service provider located in Philadelphia, Pennsylvania, PCA received a subaward from PCCD totaling \$1,165,272; these funds originated from PCCD’s 2018 through 2020 federal awards, as shown in Table 1.

**Table 1**

**Audited Subawards to PCA from PCCD**

| PCCD Subaward Identifier | OJP Prime Award Number | Project Period Dates  | Subaward Amount    |
|--------------------------|------------------------|-----------------------|--------------------|
| 33046                    | 2018-V2-GX-0068        | 10/1/2020 – 9/30/2023 | \$380,891          |
|                          | 2019-V2-GX-0026        |                       | \$387,652          |
|                          | 2020-V2-GX-0063        |                       | \$396,729          |
| <b>Total</b>             |                        |                       | <b>\$1,165,272</b> |

Source: JustGrants and PCCD

According to OJP’s program guidelines, victim assistance services eligible to receive CVF support must: (1) respond to the emotional and physical needs of crime victims, (2) assist primary and secondary victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, and (4) provide victims of crime with a measure of safety and security. Direct service providers receiving CVF victim assistance subawards thus may provide a variety of support to victims of crime, to including offering help filing restraining orders, counseling in crises arising from the occurrence of crime, crisis intervention, and emergency shelter.

### Philadelphia Corporation for Aging

PCA is a non-profit organization established in 1973 to provide elder victim services for residents of Philadelphia, Pennsylvania. Its mission is to improve the quality of life for older Philadelphians and people with disabilities and to assist them in achieving their maximum level of health,

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<sup>1</sup> The VOCA Victim Assistance Formula Grant Program is funded under 34 U.S.C. § 20101. Federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments support the CVF. The total amount of funds that the OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress.

independence, and productivity. PCA states that it fulfills this mission through four major functions: protection and advocacy, care at home, community connection administration, and responsible stewardship of public and private funds.

PCA has been a CVF subrecipient since 2018. PCA's CVF-funded Victims' Services Program (VSP) team helps to detect, prevent, and protect older Philadelphians from all forms of abuse, including physical, sexual, and psychological abuse; self-neglect or neglect by a caregiver; and financial exploitation.

## **OIG Audit Approach**

The objective of this audit was to review how PCA used the CVF funds received through a subaward from PCCD to assist crime victims and assess whether PCA accounted for the CVF monies in compliance with select award requirements, terms, and conditions. To accomplish this objective, we assessed areas of program performance and financial management.

At the start of the audit, we solicited feedback from PCCD officials regarding PCA's record of delivering crime victim services, accomplishments, and compliance with SAA award requirements.<sup>2</sup> PCCD officials did not express major concerns with PCA's ability to provide services to elderly victims of crime; however, PCCD did indicate that PCA was a high-risk subrecipient based on the results of a PCCD financial monitoring visit. According to PCCD, PCA requested reimbursement for roughly \$19,000 in unallowable costs that was subsequently remedied. As a result, PCCD designated PCA as high-risk and placed PCA on a more frequent monitoring schedule. We took this risk designation into consideration when we designed our audit work related to CVF expenditures.

We tested compliance with what we considered to be the most important conditions of the award. The DOJ Grants Financial Guide, VOCA Guidelines and Final Rule, PCCD guidance, and the OVC and PCCD award documents constitute the primary criteria we applied during this audit.

The results of our analysis are discussed in detail in the following sections of this report. Appendix 1 contains additional information on this audit's objective, scope, and methodology. Appendix 2 presents the audit's Schedule of Dollar-Related Findings.

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<sup>2</sup> As an SAA, PCCD is responsible for monitoring the performance of, providing technical assistance to, collecting data from, and processing victim assistance reimbursements requested by PCA. As such, we considered the results of our audit of PCCD's victim assistance grants in performing this separate review. See U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs Office for Victims of Crime Victim Assistance Formula Grants Awarded to the Pennsylvania Commission on Crime and Delinquency Harrisburg, Pennsylvania](#), Audit Report GR-70-17-008 (September 2017), [www.oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-3](http://www.oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-3).

# Audit Results

## Program Performance

As established by the VOCA legislation, CVF subawards are available to subrecipients for the purpose of providing direct services to victims. PCA received its CVF funding from PCCD to provide support to elderly victims of crime by directly providing or referring services for physical, sexual, or psychological abuse; self-neglect or neglect by a caregiver; and financial exploitation. To assess PCA's performance of its CVF-related activities, we first obtained an understanding of PCA's standard operating procedures in relation to the award-funded services. We then compared the subaward solicitation, project application, and award agreement against available evidence of accomplishments to determine whether PCA demonstrated adequate evidence of providing the services for which it was funded. Overall, we determined that PCA did provide the services for which it was funded; however, PCA lacked comprehensive written protocols outlining standard operating procedures for its CVF-funded officials and staff, as detailed below.

## Program Implementation

According to the DOJ Grants Financial Guide, recipients of federal awards should maintain a well-designed and tested system of internal controls. The guide further defines internal controls as a process implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) reliability of reporting for internal and external use, and (3) compliance with applicable laws and regulations.

To obtain an understanding of its standard operating procedures in relation to audited victim services, we interviewed PCA senior officials and requested the PCA policies and procedures that govern the CVF-funded program. PCA's VSP Supervisor vacated the position as our audit work began, and as a result, PCA staff had difficulty locating and providing documentation that we requested. While PCA did have written programmatic policies and procedures to guide the operation of its CVF-funded program, PCA did not have written protocols documenting responsibilities for specific and pertinent functions to ensure the continuity of PCA's CVF-funded operations, such as who is responsible for federal quarterly and annual performance reporting. We believe that in order to ensure continuity of CVF-funded services, particularly when there is a possibility of staff turnover, recipients should have formalized key responsibilities for program operations. Therefore, we recommend that OJP and PCCD ensure that PCA establish written protocols specific to CVF-funded program operations and distribute these among the relevant personnel.

## Program Services

According to the award application, PCA's goal was to address and eliminate or reduce the abuse, neglect, and exploitation that older victims have experienced while also responding to the older victims' emotional, financial, and physical needs. A secondary goal was to prevent revictimization by connecting the older victims to support after the imminent threat had been eliminated or reduced.

According to its programmatic policies, PCA's VSP offered the following services to victims of crime: accompaniment (to and from court, hospital, or medical provider), referrals (counseling, social support programs, or home/community-based services), communication (with law enforcement, legal service providers, or financial institutions), and emergency needs (food, shelter, medication). The policy also stated that PCA VSP Coordinators will develop a care plan for each older adult victim and maintain electronic claims records to manage all services rendered or referred.

From the VSP Coordinators' caseload, updated as of February 2022, we judgmentally selected 6 of the 53 total electronic victim claim records to review and found evidence that PCA staff rendered various services to each victim of crime. Based on interviews with subrecipient officials, a review of victim claim records, and written programmatic policies and procedures, we determined PCA did provide the services for which it was funded.

## **Financial Management**

According to the DOJ Grants Financial Guide, all award recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for awarded funds. In addition, under 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), non-federal entities that expend \$750,000 or more in federal funds within the entity's fiscal year must have a single audit performed annually, covering all federal funds expended that year. To determine whether PCA adequately accounted for the award funds, we interviewed PCA fiscal officials and reviewed PCA written policies and procedures, financial records, award documents, and single audit activity. As detailed below, PCA could improve its financial management related to the use of award funds by implementing comprehensive written policies and procedures and by ensuring that expenditures are reported and appropriately included in its single audits.

## **Fiscal Operations**

PCA uses a commercially available financial management system to account for federal funds and established a unique account to track the subaward. Nothing came to our attention to indicate that the financial management system used by PCA was not adequate to properly account for subaward funds. We interviewed PCA fiscal staff and determined that PCA had established adequate staffing, segregation of duties, and levels for reviews and approvals. However, we found that PCA's existing policies and procedures did not reflect PCA's actual practices and did not ensure PCA compliance with federal award requirements.

To assess the governing fiscal policies and procedures, we reviewed PCA's Fiscal Policy & Procedurals Manual (Manual). PCA officials indicated that they are in the process of updating and revising sections of the Manual, as both the Chief Financial Officer and Director of Finance are new to the organization. PCA explained that their Manual is largely outdated and not widely implemented by PCA fiscal staff. Moreover, based on our review of the Manual, PCA's existing policies did not ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements, including allowability of expenditures and budget management as discussed in the *Subrecipient Expenditures* section of this report. We believe written procedures for the management of federal awards would help ensure compliance with federal award requirements. As a result, we recommend that PCCD

and OJP ensure that PCA implements written policies and procedures to help ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements related to award administration.

### **Subaward Expenditures**

PCCD requires subrecipients to submit quarterly financial reports using PCCD's electronic grants management system. Subrecipients report expenditures against approved budget line items by budget category. Once submitted, PCCD's Grants Management staff reviews the report. If the report is approved, PCCD processes a reimbursement payment for the reported expenditures. PCCD staff also have the option to return a financial report to the subrecipient for clarification or revision. Subrecipients may also submit interim reports between the required quarterly reports.

For the audited subaward, PCA's approved budget included personnel, employee benefits, travel, supplies and operating costs, consultants, and other (example: emergency victim needs, such as food or transportation). As of December 31, 2021, PCA received \$524,964 in VOCA victim assistance program funds for costs incurred in these areas.

We reviewed a sample of PCA transactions to determine whether the costs charged to the projects and paid with CVF funds were accurate, allowable, supported, and in accordance with the VOCA program requirements. We judgmentally selected 31 transactions totaling \$54,022. The transactions we reviewed included costs from every budget category. Unless noted below, the transactions tested were allowable and adequately supported.

### **Personnel Costs**

The largest cost area for which PCA received reimbursement was personnel costs. We determined personnel and associated fringe benefit costs totaled \$466,251 (89 percent) of the \$524,964 PCCD reimbursed PCA for the subaward we audited. We judgmentally sampled two non-consecutive pay periods from the subaward, which included 10 individual bi-weekly employee payments, totaling \$19,811. In addition, we tested personnel-related payments, such as COVID hazard pay, bonuses, and locality pay adjustments, totaling \$20,304.

According to the DOJ Grants Financial Guide, charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed and comply with the established policies and practices of the organization. To document time spent working on subaward-funded activities, PCA required employees to fill out timesheets, which were to be certified by the employee and approved by a supervisor with firsthand knowledge of the work performed. We determined that the payroll transactions we tested were allowable and supported by timesheets; however, the timesheets PCA provided as part of their supporting documentation did not have evidence of employee certification or supervisory approval. PCA acknowledged that this was an oversight that occurred due to a staffing change and new management. Adhering to an organization's established controls for documenting and approving payroll expenses is essential for ensuring the appropriate use of federal award funds, especially when employee salaries are funded by multiple funding sources. As a result, we recommend that OJP and PCCD ensure PCA maintains adequate documentation to support personnel costs charged to the subaward.

PCA charged \$1,439 in bonuses to the subaward. PCCD stated that bonuses could be an allowable cost; however, PCA would have needed to request it in the budget, which PCCD would have reviewed for appropriateness in relation to the funded project. PCCD did not include bonuses as a line item in PCA's approved budget, and PCA did not request a budget modification for this type of expense. As a result, we recommend that OJP and PCCD remedy the \$1,439 in unapproved employee bonuses charged to the subaward.

### **Employee Benefits**

For employee benefits, PCA does not charge the employee's specific medical or dental plan to a specific PCA Department or subaward but rather estimates the total medical and dental premiums to be paid, less employee contributions, and determines what percentage of wages this represents. According to a PCA official, that estimated percentage is then applied to the PCA employee wages paid amount as the medical insurance premiums expense. PCA further explained that a cost pool was established to calculate the costs as a percentage of salaries and wages. The cost pool is allocated at the end of the month using PCA's financial management system's allocation process.

PCA was able to provide supporting documentation for selected fringe benefit transactions charged to the subaward and the total amount charged was reasonable in relation to the salaries and wages. However, we were unable to calculate the same amount using the method described by PCA. As mentioned earlier, PCA does not have formalized written policies and procedures that clearly detail this, or other subaward-related processes. We believe our concern will be addressed by our previous recommendation to OJP and PCCD to ensure that PCA implement clear written policies and procedures to ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements related to award administration.

### **Supplies and Operating Costs**

To test supplies and operating costs charged to the award, we selected a sample from PCA's accounting records. We judgmentally selected nine transactions totaling \$4,129. We reviewed accounting records and supporting documentation available and performed verification testing related to these expenditures.

PCA utilized a cost allocation plan to charge the award for supplies and operating costs. According to a PCA official, PCA generally uses two allocation methods to allocate costs to its programs: (1) square footage, which is based on the space occupied by each program; and (2) Full Time Equivalent (FTE), which is based on the number of people assigned to the program. PCA provided a written explanation of its allocation practices; however, it was not formalized in its Manual. PCA can address this matter when taking corrective action on our previously discussed recommendation for OJP and PCCD to ensure that PCA implement clear written policies and procedures to ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements related to award administration.

### **Single Audit**

Based on the total amount of federal assistance expended each fiscal year, PCA was required to have a single audit completed for the period we reviewed by an independent auditor. An entity is

responsible for ensuring that its Single Audit Report includes an accurate Schedule of Expenditures of Federal Awards (SEFA) for the period covered by the auditee's financial statements. However, based on our review of PCA's Single Audit Reports for FYs 2019 and 2020, we found that PCA's single audit omitted DOJ funds from the Schedule of Expenditures of Federal Awards.<sup>3</sup> PCA stated that this omission occurred during a transition period where both the Director of Finance and Chief Financial Officer positions were vacant. PCA also stated that they have no written policies and procedures for single audits; however, as mentioned earlier, they are in the process of updating and revising the Manual. In addition, the independent auditors' report incorrectly stated that PCA utilized a negotiated indirect cost rate agreement. PCA officials confirmed that PCA does not have a negotiated indirect cost agreement and instead utilizes a cost allocation plan. The auditing firm is working with PCA to correct the SEFAs in the FY 2019 and 2020 Single Audit Reports. Developing written fiscal policies and procedures will help ensure appropriate and accurate reporting of DOJ federal expenditures in its future Single Audit Reports. Because we already made a recommendation regarding written policies and procedures for fiscal operations, we do not make an additional recommendation here.

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<sup>3</sup> The audited subaward funds would appear in PCA's 2021 Single Audit Report. However, our review of PCA's most recent Single Audit Reports from 2019 and 2020 revealed the omission of DOJ funds from an earlier CVF-funded subaward received by PCA from PCCD.

## Conclusion and Recommendations

As a result of our audit testing, we concluded that PCA did assist victims by providing the services described in its subaward application. However, we found that PCA could improve its subaward financial management and enhance its policies and procedures to help ensure its continuity of program operations and compliance with federal award requirements. We provide four recommendations to OJP and PCCD to address these deficiencies.

We recommend that OJP and PCCD:

1. Ensure PCA establish written protocols specific to CVF-funded program operations and distribute these among the relevant personnel.
2. Ensure PCA implements written policies and procedures to help ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements, including expenditures, budget management, and the reporting of DOJ federal expenditures in Single Audit Reports.
3. Ensure PCA maintains adequate documentation to support personnel costs charged to the subaward.
4. Remedy \$1,439 in unapproved employee bonuses charged to the subaward.

# APPENDIX 1: Objective, Scope, and Methodology

## Objective

The objective of this audit was to review how the Philadelphia Corporation for Aging (PCA) used the award to assist crime victims and assess whether it accounted for these Crime Victims Fund monies in compliance with select award requirements, terms, and conditions. To accomplish this objective, we assessed areas of program performance and accomplishments and financial management.

## 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 one victim assistance subaward awarded by the Pennsylvania Commission on Crime and Delinquency (PCCD) to PCA in December 2020. This subaward, totaling \$1,165,272, was funded by primary VOCA grants 2018-V2-GX-0068, 2019-V2-GX-0026, and 2020-V2-GX-0063 awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC) to PCCD. As of December 31, 2021, PCA had received, through reimbursement from PCCD, \$524,964 in subaward funds.

Our audit concentrated on, but was not limited to, activity from October 2020 through April 2022. The DOJ Grants Financial Guide, the VOCA Guidelines and Final Rule, PCCD guidance, and the OVC and PCCD award documents constitute the primary criteria we applied during the audit. As a result of the COVID-19 pandemic, we performed our audit fieldwork exclusively in a remote manner.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of PCA's activities related to the audited award. Our audit work included conducting interviews with commonwealth of Pennsylvania financial staff, examining policies and procedures, and reviewing subaward documentation and financial records. We performed sample-based audit testing for subaward expenditures and programmatic claim files. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the award reviewed. This nonstatistical sample design did not allow projection of the test results to the universe from which the samples were selected.

VOCA Guidelines generally require that subrecipients match 20 percent of each subaward unless the subrecipient has received a waiver. The purpose of this requirement is to increase the amount of resources available to VOCA projects, prompting subrecipients to obtain independent funding sources to help ensure future sustainability. An OVC official approved PCCD's match requirement for VOCA funds to be met through state funded appropriations to the Pennsylvania Department of Human Services and PCCD for rape crisis and domestic violence services. Therefore, PCA does not have a match requirement tied specifically to this subaward.

During our audit, we obtained information from OJP's JustGrants, as well as PCCD's electronic grants management 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.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of PCA to provide assurance on its internal control structure as a whole. PCA management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. § 200. Because we do not express an opinion on PCA's internal control structure as a whole, we offer this statement solely for the information and use of PCA, PCCD, and DOJ.<sup>4</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we reviewed the design and implementation of PCA's written policies and procedures. We also tested the implementation and operating effectiveness of specific controls over award execution and compliance with laws and regulations in our audit scope. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

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<sup>4</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

## APPENDIX 2: Schedule of Dollar-Related Findings

| Description                          | Subaward<br>No. | Amount                | Page |
|--------------------------------------|-----------------|-----------------------|------|
| <b>Questioned Costs:<sup>5</sup></b> |                 |                       |      |
| Unallowable Personnel Costs          | 33046           | <u>\$1,439</u>        | 6    |
|                                      |                 |                       |      |
| <b>TOTAL DOLLAR-RELATED FINDINGS</b> |                 | <b><u>\$1,439</u></b> |      |

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<sup>5</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; 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, the provision of supporting documentation, or contract ratification, when appropriate.

## APPENDIX 3: The Philadelphia Corporation for Aging Response to the Draft Audit Report



June 24, 2022

Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

Dear Mr. Puerzer:

Please see below responses from the Philadelphia Corporation for Aging (PCA) in response to the findings for the audit of the Office of Justice Programs Victim Assistance Funds Sub awarded by the Pennsylvania Commission on Crime and Delinquency to the Philadelphia Corporation for Aging, Philadelphia, Pennsylvania.

**Finding #1: Written Protocols for Continuity**

- PCA Response: PCA will continue to update policies, procedures, and written protocols that are specific to CVF-funded program operations and distribute to relevant personnel as well as store in a central location for easy access. PCA has made provisions to ensure that there will be two back-up personnel trained on CVF-funded program operations; in addition to the direct supervisor to ensure continuity of the program in case the supervisor position is vacated.

**Finding #2: Financial Management Written Policies & Procedures**

- PCA Response: PCA's Fiscal Management will update its written policies and procedures to ensure compliance with the most recent DOJ Grants Financial Guidelines and award requirements, including allowability of expenditures, budget management and the reporting of DOJ federal expenditures in Single Audit Reports.

**Finding #3: Supporting Documentation for Personnel**

- PCA Response: PCA will maintain adequate documentation to support personnel costs charged to the subaward ensuring that the appropriate signatures are on all timesheets submitted.

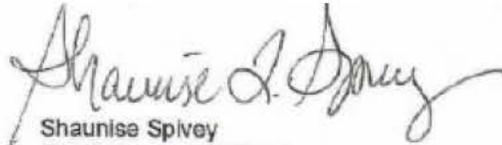
**Finding #4: Unapproved Employee Bonuses: \$1,439**

- PCA Response: PCA will return \$1,439.00 to the grant once PCCD provides directives on how to do so; due to this amount not being approved in advanced. In the future, PCA will pay employee bonuses from the PCA budget and not the grant itself or seek pre-approval from PCCD for bonuses to be included in the budget of the grant.

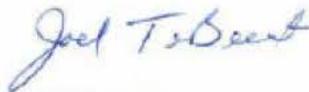
Finding #5: Written Procedures for Reporting Expenditures in Single Audit

- PCA Response: We concur with this recommendation. A corrected Schedule of Expenditures of Federal Awards report has been submitted.

Sincerely,



Shaunise Spivey  
Chief Operating Officer  
Philadelphia Corporation for Aging



Joel TeBeest  
Chief Financial Official  
Philadelphia Corporation for Aging

## APPENDIX 4: Pennsylvania Commission on Crime and Delinquency Response to the Draft Audit Report



June 10, 2022

Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

VIA EMAIL

RE: Draft Audit Report – Audit of the Office of Justice Programs Office For Victims of Crime Victim Assistance Funds Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Philadelphia Corporation For Aging

Dear Mr. Puerzer:

The Pennsylvania Commission on Crime and Delinquency (PCCD) has reviewed the draft audit report provided by your office. Thank you for the opportunity to provide a response, which is below each of your office's restated recommendations.

Recommendation 1: Ensure PCA establish written protocols specific to CVF-funded program operations and distribute these among the relevant personnel.

Response: PCCD concurs with this recommendation. PCCD will work with PCA to establish written protocols specific to CVF-funded program operations and ensure they are distributed to relevant personnel.

Recommendation 2: Ensure PCA implements written policies and procedures to help ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirement, including expenditures, budget management, and the reporting of DOJ federal expenditures in Single Audit Reports.

Response: PCCD concurs with this recommendation. PCCD will work with PCA to ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirement, including expenditures, budget management, and the reporting of DOJ federal expenditures in Single Audit Reports.

Recommendation 3: Ensure PCA maintains adequate documentation to support personnel costs charged to the subaward.

Response: PCCD concurs with this recommendation. PCCD will work with PCA to ensure that PCA maintains adequate documentation to support personnel costs charged to subawards.

Recommendation 4: Remedy \$1,439 in unapproved employee bonuses charged to the subaward.

Response: PCCD concurs with this recommendation. PCCD will work with PCA to remedy \$1,439 in unapproved employee bonuses charged to the subaward.

As requested in your May 18, 2022 letter, we are submitting our response directly to you within 25 days. We look forward to working with PCA and OJP to resolve the recommendations. Please contact me with any questions at 717-265-8461 or by email at [mpenningto@pa.gov](mailto:mpenningto@pa.gov).

Sincerely,

A handwritten signature in blue ink that reads "Michael D. Pennington". The signature is stylized and includes a long horizontal flourish at the end.

Michael Pennington  
Executive Director

cc: Linda Taylor, OJP OAAM  
Quiana Alsbrooks, DOJ OIG  
Donna Hamilton, OJP OAAM

# APPENDIX 5: The Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

June 16, 2022

MEMORANDUM TO: Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General

FROM: [for] Ralph E. Martin *Jeffery A. Haley*  
Director

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds, Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Philadelphia Corporation for Aging, Philadelphia, Pennsylvania*

This memorandum is in response to your correspondence, dated May 18, 2022, transmitting the subject draft audit report for the Philadelphia Corporation for Aging (PCA). PCA received sub-award funds from the Pennsylvania Commission on Crime and Delinquency (PCCD) under the Office of Justice Programs' (OJP), Victims of Crime Act (VOCA), Victim Assistance Formula Grant Program, Grant Numbers 2018-V2-GX-0068, 2019-V2-GX-0026, and 2020-V2-GX-0063. We consider the subject report resolved and request written acceptance of this action from your office.

The draft audit report contains **four** recommendations and \$1,439 in questioned costs. The following is OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by OJP's response.

- 1. We recommend that OJP and PCCD ensure PCA establish written protocols specific to Crime Victim Fund (CVF)-funded program operations and distribute these among the relevant personnel.**

OJP agrees with the recommendation. In its response, dated June 10, 2022, PCCD stated that it will work with PCA to establish written protocols specific to Crime Victim Fund (CVF)-funded program operations, and will ensure that they are distributed to relevant personnel.

Accordingly, we will coordinate with PCCD to obtain a copy of comprehensive written protocols, developed and implemented by PCA, specific to CVF-funded program operations, to ensure the continuity of operations.

- 2. We recommend that OJP and PCCD ensure PCA implements written policies and procedures to help ensure PCA's compliance with the DOJ Grants Financial Guide and Federal award requirement, including expenditures, budget management, and the reporting of DOJ Federal expenditures in Single Audit Reports.**

OJP agrees with the recommendation. In its response, dated June 10, 2022, PCCD stated that it will work with PCA to ensure compliance with the Department of Justice (DOJ) Grants Financial Guide, and Federal award requirement, including expenditures, budget management, and the reporting of DOJ Federal expenditures in Single Audit Reports.

Accordingly, we will coordinate with PCCD to obtain a copy of written policies and procedures, developed and implemented by PCA, to ensure compliance with the DOJ Grants Financial Guide, and Federal award requirements, related to award administration, including Single Audit Reports.

- 3. We recommend that OJP and PCCD ensure PCA maintains adequate documentation to support personnel costs charged to the subaward.**

OJP agrees with the recommendation. In its response, dated June 10, 2022, PCCD stated that it will work with PCA to ensure that it maintains adequate documentation to support personnel costs charged to subawards.

Accordingly, we will coordinate with PCCD to obtain a copy of written policies and procedures, developed and implemented by PCA, to ensure that adequate documentation is maintained to support personnel costs charged to subawards, and that documentation is maintained for future auditing purposes.

- 4. We recommend that OJP and PCCD remedy \$1,439 in unapproved employee bonuses charged to the subaward.**

OJP agrees with the recommendation. In its response, dated June 10, 2022, PCCD stated that it will work with PCA to remedy the \$1,439 in questioned costs, associated with unapproved employee bonuses charged to the subaward.

Accordingly, we will review the \$1,439 in questioned costs, related to unapproved employee bonuses that were charged to PCA's subaward, and will work with PCCD to remedy, as appropriate.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

cc: Maureen A. Henneberg  
Deputy Assistant Attorney General

cc: LeToya A. Johnson  
Senior Advisor  
Office of the Assistant Attorney General

Jeffery A. Haley  
Deputy Director, Audit and Review Division  
Office of Audit, Assessment and Management

Kristina Rose  
Director  
Office for Victims of Crime

Katherine Darke Schmitt  
Acting Principal Deputy Director  
Office for Victims of Crime

Kathrina S. Peterson  
Deputy Director  
Office for Victims of Crime

James Simonson  
Associate Director for Operations  
Office for Victims of Crime

Joel Hall  
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Jalila Sebbata  
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Rachel Johnson  
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Christal McNeil-Wright  
Associate Chief Financial Officer  
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Joanne M. Suttington  
Associate Chief Financial Officer  
Finance, Accounting, and Analysis Division  
Office of the Chief Financial Officer

cc: Aida Brumme  
Manager, Evaluation and Oversight Branch  
Grants Financial Management Division  
Office of the Chief Financial Officer

Louise Duhamel  
Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

Jorge L. Sosa  
Director, Office of Operations – Audit Division  
Office of the Inspector General

OJP Executive Secretariat  
Control Number IT20220519093846

## **APPENDIX 6: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report**

The Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP), the Pennsylvania Commission on Crime and Delinquency (PCCD), and the Philadelphia Corporation for Aging (PCA). OJP's response is incorporated in Appendix 5, PCCD's response is incorporated in Appendix 4, and PCA's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, OJP agreed with our recommendations and, as a result, the status of the audit report is resolved. PCCD concurred with all four recommendations. PCA did not specifically state its agreement or disagreement with our recommendations, but it included in its response planned actions to address each recommendation. The following provides the OIG's analysis of the responses and summary of actions necessary to close the report.

### **Recommendations for OJP:**

- 1. We recommend that OJP and PCCD ensure PCA establish written protocols specific to Crime Victims Fund (CVF)-funded program operations and distribute these among the relevant personnel.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with PCCD to obtain a copy of comprehensive written protocols, developed and implemented by PCA, specific to CVF-funded program operations, to ensure the continuity of operations. As a result, this recommendation is resolved.

PCCD concurred with our recommendation and stated in its response that PCCD will work with PCA to establish written protocols specific to CVF-funded program operations and ensure they are distributed to relevant personnel.

PCA neither agreed nor disagreed with our recommendation. In its response, PCA stated that it will continue to update policies, procedures, and written protocols and distribute the updates to relevant personnel, as well as maintain them in a central location for easy access. PCA stated it made provisions to ensure that there will be two back-up personnel trained on CVF-funded program operations, in addition to the direct supervisor, to ensure continuity of the program in case the supervisor position is vacated.

This recommendation can be closed when we receive documentation that written protocols were established and distributed to relevant personnel.

**2. We recommend that OJP and PCCD ensure PCA implements written policies and procedures to help ensure PCA's compliance with the Department of Justice (DOJ) Grants Financial Guide and federal award requirements, including expenditures, budget management, and the reporting of DOJ Federal expenditures in Single Audit Reports.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with PCCD to obtain a copy of written policies and procedures, developed and implemented by PCA, to ensure compliance with the DOJ Grants Financial Guide and federal award requirements related to award administration, including Single Audit Reports. As a result, this recommendation is resolved.

PCCD concurred with our recommendation and stated in its response that it will work with PCA to ensure PCA's compliance with the DOJ Grants Financial Guide and federal award requirements, including expenditures, budget management, and the reporting of DOJ expenditures in Single Audit Reports.

PCA neither agreed nor disagreed with our recommendation. In its response, PCA stated that its Fiscal Management will update its written policies and procedures to ensure compliance with the most recent DOJ Grants Financial Guidelines and award requirements, including allowability of expenditures, budget management, and the reporting of DOJ expenditures in Single Audit Reports.

This recommendation can be closed when we receive documentation that PCA's written financial management policies and procedures have been updated.

**3. We recommend that OJP and PCCD ensure PCA maintains adequate documentation to support personnel costs charged to the subaward.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with PCCD to obtain a copy of written policies and procedures, developed and implemented by PCA, to ensure that adequate documentation is maintained to support personnel costs charged to subawards, and that documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

PCCD concurred with our recommendation and stated in its response that PCCD will work with PCA to ensure that PCA maintains adequate documentation to support personnel costs charged to subawards.

PCA neither agreed nor disagreed with our recommendation. In its response, PCA stated that it will maintain adequate documentation to support personnel costs charged to the subaward ensuring that the appropriate signatures are on all submitted timesheets.

This recommendation can be closed when we receive evidence that PCA has taken adequate action to ensure documentation to support personnel costs is maintained.

**4. We recommend that OJP and PCCD remedy \$1,439 in unapproved employee bonuses charged to the subaward.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will review the \$1,439 in questioned costs, related to unapproved employee bonuses, that were charged to PCA's subaward, and will work with PCCD to remedy these questioned costs, as appropriate. As a result, this recommendation is resolved.

PCCD concurred with our recommendation and stated in its response that PCCD will work with PCA to remedy \$1,439 in unapproved employee bonuses charged to the subaward.

PCA neither agreed nor disagreed with our recommendation. In its response, PCA stated that will return \$1,439 to the grant once PCCD provides directives on how to do so. PCA also stated that, in the future, PCA will pay employee bonuses from the PCA budget and not the grant itself or seek pre-approval from PCCD for bonuses to be included in the budget of the grant.

This recommendation can be closed when we receive evidence that the \$1,439 has been remedied in an appropriate manner.