



Audit of the Office on Violence Against Women
Grants Awarded to The Haven, Inc.,
Houma, Louisiana



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EXECUTIVE SUMMARY

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Objectives

The Office on Violence Against Women (OVW) awarded The Haven, Inc. (The Haven) two grants totaling \$1,115,165 for Transitional Housing and Legal Assistance for victims of domestic violence and sexual assault. The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards; and to determine whether the grantee demonstrated adequate progress towards achieving program goals and objectives.

Results in Brief

As a result of our audit, we concluded that The Haven demonstrated adequate achievement for most of its goals and objectives. However, we identified areas where The Haven could strengthen its internal controls by developing written guidance and improving its recording of grant expenditures. Finally, we found that The Haven had significant deficiencies in submission of federal financial reports (FFRs) and performance reports to the OVW.

Recommendations

Our report contains 14 recommendations to the OVW. We requested a response to our draft audit report from the OVW and The Haven, which can be found in Appendices 3 and 2, respectively. Our analysis of those responses is included in Appendix 4.

Audit Results

The purposes of the two OVW grants we reviewed were to provide housing and legal assistance for victims of domestic violence, dating violence, sexual assault, or stalking. The project period for the Legal Assistance Program grant was from October 2018 through September 2021, and the Transitional Housing Program grant was from October 2018 through September 2022. As of September 2019, The Haven had drawn down a cumulative amount of \$129,280 for both grants reviewed.

Program Goals and Accomplishments

The Haven is on track to meet most of its goals by the end of the grant periods.

Required Performance and Federal Financial Reports

As of May 2021, The Haven had not submitted and was overdue on four performance reports and one Federal Financial Report (FFR). Consequently, the OVW placed The Haven's drawdowns on hold.

Internal Controls

We noted several deficiencies related to internal controls, including in recording grant expenditures, record keeping for grant expenditures, and establishing policies and procedures for grant management practices.

Budget Management and Controls

As of May 27, 2021, The Haven had not yet submitted a grant adjustment notification (GAN) requesting approval for the project change for the Legal Assistance Program grant that is set to expire on September 30, 2021.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of a Transitional Housing Assistance Grant for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking (Transitional Housing Program) and a Legal Assistance for Victims Grant Program (Legal Assistance Program) awarded by the Office on Violence Against Women (OVW) to The Haven, Inc. (The Haven) in Houma, Louisiana. The Haven was awarded two grants totaling \$1,115,165 as shown in Table 1. Grant Number 2018-WH-AX-0014 for \$515,243 was awarded under the Transitional Housing Program, and Grant Number 2018-WL-AX-0017 for \$599,922 was awarded under the Legal Assistance Program.

Table 1

Grants Awarded to The Haven

Award Number	Program Office	Award Date	Project Period Start Date	Project Period End Date	Award Amount
2018-WH-AX-0014	OVW	09/26/2018	10/01/2018	09/30/2022	\$515,243
2018-WL-AX-0017	OVW	09/11/2018	10/01/2018	09/30/2021	\$599,922
				Total:	\$1,115,165

Source: Grant Management System

Funding for the Transitional Housing Program and the Legal Assistance Program was authorized by 34 U.S.C. § 12351 and 34 U.S.C. § 20121, respectively. The Transitional Housing Program provides 6 to 24 months of transitional housing with support services for victims who are homeless or in need of transitional housing as a result of domestic violence, dating violence, sexual assault and stalking, and for whom emergency shelter services or other crisis intervention services are unavailable or insufficient. The Legal Assistance Program is intended to strengthen civil and criminal legal assistance programs for adult and youth victims of domestic violence, dating violence, sexual assault, and stalking who are seeking relief for legal matters.

The Grantee

The Haven is a 501(c)(3) non-profit entity located in Houma, Louisiana. Since 1993, The Haven has served survivors of domestic violence and sexual assault within Terrebonne, Lafourche, and Assumption parishes in the State of Louisiana. Its mission is to empower survivors of family violence and sexual assault to have safe, independent, and violence free lives. The Haven intends to break the cycle of violence by changing attitudes and beliefs for all people to live free from the threat of violence. In 2019, The Haven reported that it provided a safe home for 87 children and 126 women fleeing from domestic violence; answered 975 domestic violence and sexual assault crisis calls; provided support services to 429 survivors of sexual violence, including 510 individual counseling sessions and 22 medical escorts; and funded 13 sexual assault medical exams.

OIG Audit Approach

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants; and to determine whether the grantee demonstrated adequate progress towards achieving the programs' goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, 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 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.

Audit Results

Program Performance and Accomplishments

We reviewed required performance reports, grant solicitations, grant award packages, and interviewed staff to determine whether The Haven demonstrated adequate progress towards achieving the program goals and objectives. We also reviewed the semi-annual progress reports (progress reports) and compared those to supporting documents to determine if the required reports were accurate. Finally, we reviewed The Haven's compliance with the special conditions identified in the award documentation.

Program Goals and Objectives

In September 2018, the OVW awarded a Transitional Housing Program grant for The Haven to: (1) assist victims of sexual assault, domestic violence, dating violence, and stalking with securing safe housing and successfully transition 75 percent of victims to permanent housing; (2) assist 100 percent of program participants with resources to address the effects of their victimization to promote victim's feelings of physical and emotional safety; (3) increase the survivor's awareness of available options for support in a community; (4) decrease isolation, Post Traumatic Stress Disorder, and depression; (5) promote improvement in general health and quality of life; and (6) increase the economic self-sufficiency of participants with a goal of 78 percent employed and completion of their education or vocational training or connected to eligible support resources. Funding is primarily used to provide temporary housing for 26 survivors and their families for a period of 6 to 24 months. In its grant application, The Haven stated it would accomplish this by providing short-term housing assistance including rental or utility payment assistance and access to support services to help victims secure permanent housing, employment, and integration into their community.

In September 2018, the OVW also awarded a Legal Assistance Program grant for The Haven to increase: (1) access to affordable and accessible holistic legal services, (2) community knowledge of available legal representation, and (3) safety for victims of domestic violence, sexual assault, dating violence, and stalking in the Terrebonne and Lafourche parishes. In its application, The Haven stated it would accomplish this by: (1) employing two full-time civil law attorneys, one part-time support staff member, and one part-time victim advocate; (2) providing legal services to 300 economically disadvantaged victims; (3) using print and electronic media contacts to broadcast the new legal services provided; and (4) presenting 60 information sessions to agency staff and community partners about victim rights and the availability of legal services for victims.

We found that The Haven was adequately achieving the stated goals and objectives for the Transitional Housing Program grant throughout the period of the grant. The Haven met its goal of securing safe housing as stated in the grant award document by accepting 29 survivors into the program and providing 28 of them transitional housing. For the 29 survivors, The Haven told us that 4 survivors exited the program before completion because of extenuating circumstances. Eleven survivors completed the program. Of the 11 survivors that completed the program, 9 obtained permanent housing, 1 did not secure housing, and 1 elected to receive only case management services. The remaining 14 survivors continued to live in transitional housing as of March 2021. As of May 27, 2021, The Haven had not submitted a required semi-annual progress report for the Transitional Housing Program grant for July 2020 through December 2020. To determine if the survivors received the services stated in the grant objectives, we judgmentally selected five survivors and support for

the services and activities provided to them throughout the period of the grant. We reviewed lease agreements, invoice reports, activity logs, and individualized service plans showing payments for leases, deposits, and services provided. The activity logs and service plans provided specific information about services received such as individual counseling, monthly check-ins, permanent housing, and job transition discussions. Survivors received an average of five direct sessions or services per month during the period we tested. As a result, we determined that The Haven is on track to meet the objectives for the five survivors selected for review.

We found that The Haven was adequately achieving most stated goals and objectives for the Legal Assistance Program grant. For the January through June 2019 progress report, which was the most recent progress report submitted by The Haven as of April 2021, we requested support for the 55 victims reported as receiving services and 2 victims reported as not receiving all services because they did not meet statutory requirements. We reviewed The Haven's referrals made to its legal services subrecipient on behalf of the 55 victims, along with invoices for attorneys, support staff, and victim advocate fees for victim services. We did not identify any concerns with the support for providing access to legal assistance services to these victims.

The Legal Assistance Program grant performance period was from October 2018 through September 2021. Despite this, the Haven accomplished its goal of advertising the program only in April 2021. The Haven officials told us that, because of the COVID-19 pandemic, an office flood, and five hurricane evacuations in the summer and fall of 2020, they experienced difficulties with accomplishing the objective to advertise legal services. We acknowledge the difficulties The Haven encountered. However, we believe that more victims would have benefited from the program if The Haven had achieved its objective to advertise the program earlier in the grant period, rather than waiting until the last few months of the grant period. Also, because the Legal Assistance Program grant period ends September 30, 2021, the program's effectiveness was potentially diminished in that there were only a few months at the end of the grant in which to promote the availability of legal assistance services. The Haven's Executive Director told us that although the Legal Assistance Program grant was in its final months, advertising the program to the community could still have a meaningful impact. The Executive Director also told us that the remaining grant budget would accommodate a large amount of legal services to victims. In addition, The Haven has applied to the OVC for continuing funding for its Legal Assistance Program project because of the positive impact it has had on victims.

Required Performance Reports

According to the DOJ Grants Financial Guide, a 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. We reviewed The Haven's semi-annual progress reports for the periods of July 2018 through June 2020 for the Transitional Housing Program grant and July 2018 through June 2019 for the Legal Assistance Program grant, which were the only progress reports available during our audit fieldwork. We sought to verify the information in semi-annual progress reports. For the Transitional Housing Program grant, we selected a sample of 5 of the 26 leasing agreements to test. For the Legal Assistance Program grant, we selected for testing three performance measures related to victims served, victims partially served, and training provided. We traced reported accomplishment to supporting documentation maintained by The Haven. The accomplishments described in the progress reports matched the supporting documentation. We concluded that The Haven demonstrated adequate achievement for most of its goals and objectives.

During the grant periods, The Haven was required to submit five semiannual progress reports each for the Transitional Housing Program and the Legal Assistant Program grants. For our audit period, Table 2 shows the required semi-annual reports and the due dates for the grants reviewed.

Table 2
The Haven's
Required Semi-Annual Reports

Award	Required Semi-Annual Report	Due Dates	Submission Dates	Days Late
Transitional Housing Program	July 1, 2018 through December 31, 2018	01/30/2019	02/04/2019	4
	January 1, 2019 through June 30, 2019	07/30/2019	08/19/2019	20
	July 1, 2019 through December 31, 2019	05/30/2020	09/06/2020	99
	January 1, 2020 through June 30, 2020	07/30/2020	05/12/2021	286
	July 1, 2020 through December 31, 2020	01/30/2021	Not Submitted	117
Legal Assistance Program	July 1, 2018 through December 31, 2018	01/30/2019	02/24/2019	25
	January 1, 2019 through June 30, 2019	07/30/2019	07/30/2019	n/a
	July 1, 2019 through December 31, 2019	05/30/2020	Not Submitted	362
	January 1, 2020 through June 30, 2020	07/30/2020	Not Submitted	301
	July 1, 2020 through December 31, 2020	01/30/2021	Not Submitted	117

Source: OIG Analysis

As shown in Table 2, as of May 27, 2021, The Haven had prepared and submitted four of the five required progress reports for the Transitional Housing Program grant and two of the five required progress reports for the Legal Assistance Program grant. Of the six reports that had been prepared, one was on time, one was within the 15-day grace period, and six were significantly late. The Executive Director told us the delays in preparing progress reports occurred because of problems with receiving supporting documentation from its subrecipient, the uncertainty of knowing how the data should be entered into the DOJ Grant Management System, and issues with uploading reports into the new grant management system named JustGrants.¹ Because The Haven had not complied with its reporting requirements, the OVW placed a hold on drawdowns for both grants as of June 15, 2020. The hold on Transitional Housing Program grant funds was lifted on May 17, 2021, because The Haven had submitted all the required reports, but the hold remained in place for the Legal Assistance Program grant. Absent timely performance reports, the OVW lacks assurance that The Haven achieved the programs' goals and objectives. We recommend that the OVW ensure that The Haven develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in the reports. We also recommend that the OVW ensure that The Haven obtains training and assistance on procedures for reporting performance data.

¹ The Department of Justice transitioned from the Grant Management System to the JustGrants system on October 15, 2020. Grantees use this system to input their financial reports. On May 6, 2021, the DOJ OIG reported in an Issue Alert (see <https://oig.justice.gov/sites/default/files/reports/21-069.pdf>) stating that certain award recipients continue to experience issues registering for JustGrants, assigning roles, accepting awards, and submitting required documentation, which prevents award recipients from accessing DOJ funds. In this report, we discuss concerns the grantee experienced with JustGrants in submitting required reports and requesting approval for project scope changes.

Compliance with Special Conditions

Special conditions are the terms and conditions that are included with the awards. We evaluated the special conditions for each grant and selected a judgmental sample of the requirements that are significant to performance under the grants and are not addressed in another section of this report. We evaluated three special conditions for the two grants reviewed. For both grants, we reviewed requirements to: (1) report potentially duplicate funding, (2) report actual or imminent breach of personally identifiable information, and (3) comply with the OVW Training Guiding Principles. For the Legal Assistance Program grant, we also reviewed a requirement that client selection criteria be submitted to the OVW for approval.

For both grants it appeared The Haven complied with the first three special conditions mentioned in the prior paragraph. However, The Haven was not in compliance with a special condition pertaining to the Legal Assistance Program grant. Although this condition requires the grantee to submit to the OVW approval of its criteria for selecting clients for grant-funded legal services, The Haven had not submitted its selection criteria. The Executive Director agreed and told us this required information had not been submitted to the OVW for review because of an oversight by The Haven. Without its review and approval, the OVW lacks assurance that The Haven followed appropriate criteria for selecting clients for grant-funded legal services. We recommend that the OVW ensure The Haven submits its client selection criteria for approval for the Legal Assistance Program grant.

Subawards

Grantees may delegate another entity to perform program activities. This delegation is generally considered a subaward. Subrecipients use federal funds to carry out a program for a public purpose. Subrecipient performance is measured in relation to whether objectives of the grant program are met. Grantees must monitor subawards closely and have written monitoring policies and procedures. Subawards often have written agreements or memorandums of understanding (MOU) with the grantee in the implementation of the grant program activities.

For the Legal Assistance Program grant, The Haven entered in an MOU with three partners to respond to the needs of individuals who are abused and in need of civil legal services. One of the partners, referred to hereafter as the subrecipient, provided legal services to survivors referred by The Haven. The subrecipient received a subaward in the amount of \$454,149 (76 percent of the grant award) to provide two full-time staff attorneys and support staff to offer legal representation or services to survivors referred by The Haven.

During our review of The Haven's financial manual, we found that there were no written policies and procedures that addressed performance and financial monitoring for subrecipients. Such procedures allow for the grantee to have oversight of its subrecipients' adherence to DOJ Grants Financial guidance. In addition, grantees may routinely assess its subrecipient's performance and achievement of the project goals and objectives. We recommend that the OVW ensure The Haven develops and implements written policies and procedures for subrecipient performance and financial monitoring.

Performance Monitoring

The Executive Director is responsible for monitoring performance for both grants. Through an informal monitoring process, the staff provides the Executive Director with updates and communication about the subrecipient's performance. The Haven's Program Director assists with the monitoring effort by

coordinating services provided under the Legal Assistance Program grant. The Program Director told us that The Haven did not maintain documentation regarding the legal services subrecipient's performance updates made to The Haven in the form of verbal updates and written communications. The Haven's Victim Advocate, who assists victims in obtaining restraining orders via the Legal Assistance Program grant, told us that victims' satisfaction with legal services was not obtained through surveys. Documenting communication between The Haven and its legal services subrecipient would provide for accountability and a resource to resolve potential conflicts that may occur between the parties. Consequently, we recommend that the OVW ensure that The Haven maintains documentation for all communication with its subrecipient.

Monitoring

The Haven's grant financial management practices include policies and procedures for reviewing invoices, timesheets, payroll documents, and travel logs. The Executive Director approves expenditures and provides oversight of grant funds. In addition, detailed supporting documentation is required for all payments. We did not identify any concerns with the processes for paying the subrecipients for services performed. However, as stated earlier, we believe written policies and procedures for financial monitoring of subrecipients would strengthen The Haven's subrecipient monitoring and provide its staff with procedures to follow for the review of subrecipients' billings prior to payment.

Grant Financial Management

According to the DOJ Grants 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. To assess The Haven's financial management of the grants covered by this audit, we conducted interviews with financial staff, examined policy and procedures, and inspected grant documents to determine whether The Haven adequately safeguards the grant funds we audited. We also reviewed The Haven's financial statements and Independent Auditor's Report for the year ended June 30, 2020, to identify internal control weaknesses and significant non-compliance issues related to federal awards. This report identified a significant deficiency in The Haven's segregation of duties that was the result of too few accounting staff to achieve proper separation of duties. The Haven's management agreed with the recommendation to closely monitor the daily activities and implement other control procedures. However, at the end of our audit work, no corrective action had been taken by The Haven for this weakness. Finally, we performed testing in the areas that were relevant for the management of both grants, as discussed throughout this report.

During our review of The Haven's financial manual and other written policies, we found that The Haven did not include any policies and procedures for determining indirect costs. The Haven was approved by the OVW to calculate indirect costs using an indirect rate of 10 percent. We requested support for The Haven's indirect cost calculations. For the Legal Assistance Program grant, we obtained a list of the approved budget categories showing the amounts approved for each category and providing a total of \$14,363 in indirect costs for all budget categories. The list provided included an "other" category that encompassed rental costs not allowable in calculating indirect costs. We recalculated indirect costs excluding rental costs, and we determined that total allowable indirect costs were not significantly different from The Haven's calculated amount. Despite this, the potential exists that The Haven could incorrectly calculate indirect costs in the future. To ensure that indirect costs are correctly calculated, we recommend that the OVW ensure The Haven develops and implements policies and procedures to document its calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

The Haven's grant financial management could also be strengthened by developing and implementing written policies and procedures, adhering to its signature policy for checks over \$1,000, recording grant expenditures, and retaining records to support grant expenditures. For seven instances, The Haven did not adhere to its procedures requiring two signatures on checks for amounts greater than \$1,000. We also found that The Haven did not always retain records for grant expenditures and did not record grant expenditures properly in its accounting records in 2019. The details of these instances are discussed in the following section of this report.

Grant Expenditures

For the grants reviewed, The Haven's approved budgets included personnel costs, travel, supplies, subawards, and indirect costs. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of transactions. At the time of our audit, The Haven had made one drawdown for each grant reviewed. For the Transitional Housing Program grant, we selected 53 transactions totaling \$33,194, which was 84 percent of the drawdown received for this grant at the time of our testing. For the Legal Assistance Program grant, we selected 52 transactions totaling \$59,841, which was 67 percent of the drawdown received for this grant at the time of our testing. We reviewed documentation, accounting records, and performed verification testing for the grant expenditures for both grants. We did not identify any concerns with these costs. However, we identified concerns with The Haven's practices for recording grant expenditures and retaining documentation.

We requested from The Haven a detailed listing of all grant transactions. The accounting system software used by The Haven lacked the capability to: provide a detailed listing of all grant expenditures by budget category, produce reports, or retain records for more than 24 months. As a result, we were not able to obtain from the accounting system a list of grant expenditures or supporting documentation for transactions prior to January 2019. The Executive Director told us that, to record grant expenditures, The Haven maintained separate spreadsheets containing data on grant expenditures. We obtained and reviewed the spreadsheets but found that those spreadsheets included monthly cumulative totals for each budget category rather than individual transactions. To verify expenditure totals, we reviewed receipts and invoices to identify transactions associated with each budget category and determine if the total transactions matched the cumulative expenses reported in the spreadsheets. We found that the transactions in total matched the totals recorded in The Haven's spreadsheets. We also found that the individual transactions that we tested in detail were for allowable program costs and were properly supported.

The DOJ Grants Financial Guide provides that all recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for awarded funds. Recipients must have a financial management system in place that is able to record and report on the receipt, obligation, and expenditure of grant funds as well as keep detailed accounting records and documentation. In addition, the DOJ Grants Financial Guide requires that all financial records and supporting documentation be retained for 3 years from the date of submission of the final expenditure report. For the reasons stated above, we do not believe that The Haven's accounting systems meets these requirements. Consequently, we recommend that the OVW ensure The Haven modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.

According to The Haven's Finance Manual, two signatures are required for all payment checks greater than \$1,000 with one signature being that of the Board President, Vice-President, or board appointee. We reviewed monthly bank statements from 2018 through 2020 and identified seven checks for amounts greater than \$1,000 but which contained only one signature. The Executive Director signed each of the seven checks without obtaining the required second signature. Absent the required second signature for checks over \$1,000, The Haven's ability to maintain adequate internal controls is impaired. We recommend that the OVW require The Haven to develop and implement procedures to ensure both required signatures are provided for checks greater than \$1,000.

Budget Management and Control

According to the 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 Guide requires that a grant 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.²

We compared grant expenditures to the approved budgets to determine whether The Haven transferred funds among budget categories in excess of 10 percent. We determined that the cumulative difference between category expenditures and approved budget totals was not greater than 10 percent. During our initial review of the budget categories, The Haven had not transferred any of the budgeted costs. However, in April 2021, the Executive Director told us about a plan to increase budget costs for subrecipient attorney salaries by 32 percent. The Executive Director told us that the subrecipient attorney salaries increased because of plans to hire contract attorneys to perform legal services in place of the approved full-time employees for the Legal Assistance Program grant. We reviewed the proposed budget reallocations and found the cumulative changes did not exceed 10 percent of the total grant award. In April 2021, the Executive Director executed an agreement labeled "contract" with the subrecipient to fund attorney and staff support for civil legal representation to survivors of domestic, family, and sexual and dating violence.

Although a GAM was not required for the budget reallocations, the DOJ Grants Financial Guide also requires that the OVW award recipients initiate a GAM for budget modifications if the scope of the project changes. We believe that the hiring of additional contract attorneys via the agreement with its subrecipient constitutes a change in the scope of the grant project. However, as of May 27, 2021, The Haven had not submitted a request for approval of the scope change. We discussed with the Executive Director the need for requesting a scope change with the OVW. The Executive Director agreed with the need to submit the GAM but said that The Haven was experiencing issues with use of JustGrants, which is the new grant management system discussed above in the Required Performance Reports section of this report. The Executive Director attempted to contact the OVW grant managers for assistance with JustGrants, but the grant managers were unable to assist. Given the concerns regarding JustGrants and expiration of the Legal Assistance Program grant on September 30, 2021, The Haven should immediately contact the OVW for

² According to OJP online grant financial management guidance, a Grant Award Modification (GAM) is created in the JustGrants system, which was implemented in October 2020, to update the award details but is used only to modify a key fact or detail about the award. OJP "Grants Financial Management: Frequently Asked Questions", <https://www.ojp.gov/training-and-technical-assistance/tfsc/faq#faq-what-is-a-grant-award-modification-gam> (accessed June 16, 2021). For the remainder of this report, we refer to requirements for GAM rather than a GAN.

assistance in submitting a GAM requesting approval for the proposed changes to the grant scope. Delays with submitting the request may result in the project goals and objectives not being fully accomplished. In addition, absent an approved GAM, The Haven may not be reimbursed for services performed by the subrecipient under the proposed scope change. Consequently, we recommend that the OVW ensure The Haven submits a GAM to carry out the proposed scope change and ensure completion of its project goals and objectives. Further details regarding the proposed change in project scope are discussed in the Drawdown section of this report.

Drawdowns

According to the 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 grant award, recipients have drawn down funds more than federal expenditures, unused funds must be returned to the awarding agency. As of December 2020, The Haven had made one drawdown for each grant in September 2019, totaling \$129,280. For the Transitional Housing Program grant, The Haven received a drawdown in the amount of \$39,417. For the Legal Assistance Program grant, The Haven received a drawdown in the amount of \$89,863. For the September 2019 drawdowns, we compared the drawdown amount to recorded expenditures for both grants. For the Transitional Housing Program grant, the total expenditures exceeded total drawdowns by \$15,132. For the Legal Assistance Program grant, total expenditures exceeded total drawdowns by \$30,349. The Executive Director told us they used a combination of actual expense recorded in their financial reports and projected expenses to determine their drawdown amount.

To assess whether The Haven managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in The Haven's accounting system as of December 2020. As shown in Table 3, The Haven cumulative expenditures exceed the amount of the drawdowns received for each grant reviewed.

Table 3

Comparison of Grant Drawdowns to Grant Expenditures as of December 2020

Grant Number	Award Amount	Amount of Award Drawn Down	Cumulative Grant Expenditures	Difference
2018-WH-AX-0014	\$515,243	\$39,417	\$298,921	(\$259,504)
2018-WL-AX-0017	\$599,922	\$89,863	\$322,954	(\$233,091)
Total Drawdowns		\$129,280		

Source: Grant Management System and The Haven Accounting Records

On June 15, 2020, the OVW placed a hold on The Haven's ability to receive drawdowns because of overdue progress and financial reports.³ As of June 2021, funds for the Transitional Housing Program grant were no longer on hold and funds for the Legal Assistance Program grant remained on hold. According to the Executive Director, since December 2020 The Haven had been having issues with submitting required

³ The Haven officials told us its built-in reserve funds were being used to fund the project during the hold on drawdowns.

reports in JustGrants, which is discussed in the Required Performance Reports section of this report. The Executive Director told us that, prior to issues with JustGrants, The Haven also experienced delays with submitting drawdown requests because of several extenuating circumstances related to the COVID-19 pandemic and several hurricanes that interrupted The Haven's daily operations.

According to accounting records for the Transitional Housing Program grant, a total of \$216,322 in grant funds remained to be spent as of December 31, 2020, which was the most recent data available to us, and the grant expires on September 30, 2022. The Haven appeared to be on track to spend these grant funds by the end of the grant period.

According to accounting records for the Legal Assistance Program grant, a total of \$276,968 in grant funds remained to be spent as of September 30, 2020, and the grant expires on September 30, 2021. After reviewing The Haven's accounting records, we are concerned that the proposed scope change discussed in the Budget Management and Control section of this report may result in The Haven's inability to both spend the remaining grant funds and receive reimbursement for grant expenditures incurred for legal services performed by its subrecipient. Our concern is based on spending patterns that show that The Haven must spend nearly 46 percent of remaining funds in the last 9 months of the grant award period and that it requires approval for a GAM. As stated in the Budget Management and Control section, The Haven should immediately request a GAM for the proposed scope change.

We asked the Executive Director about plans to spend the remaining Legal Assistance Program grant funds during the last 9 months of the grant award period. The Executive Director told us that the initial start-up of the Legal Assistance Program grant was difficult because of staffing issues and the COVID-19 pandemic. However, the Executive Director also told us that, during the last quarter of 2020, the services for victims had drastically increased because courts were in session more often. The Executive Director also told us that, if necessary, The Haven plans to request from the OVW a no-cost extension of the performance period for the Legal Assistance Program grant. Approval of the extension would enable The Haven to expend grant funds beyond the original expiration date for the grant. As of May 2021, the request for a no-cost extension had not been submitted to the OVW. Consequently, we recommend that the OVW ensure that The Haven promptly assess its planned grant expenditures for the remaining 9 months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period if necessary.

Finally, The Haven's drawdown request processes could be strengthened. The Executive Director prepared and submitted the first drawdown and later transferred that responsibility to the Operations Director. However, the Operations Director was not familiar with the process. In addition, we determined that The Haven did not have written policies and procedures for preparing drawdown requests. Establishment of such policies and procedures would improve grant management practices and serve as a reference guide for staff. Consequently, we recommend that the OVW ensure that The Haven develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly defines the roles and responsibilities for its staff. We also recommend that the OVW ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

Federal Financial Reports

According to the DOJ Grants Financial Guide, recipients shall report quarterly to the OVW the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. To determine whether The Haven submitted accurate Federal Financial Reports (FFRs), we compared the four most recent reports to the accounting records for each grant. Table 4 shows the results of the comparison.

Table 4

Federal Financial Report Accuracy

Report Dates	Quarterly Expenditures per FFR	Quarterly Expenditures per Accounting Records	Difference (FFR – Accounting Records)
Transitional Housing Program			
4/1/2019-6/30/2019	\$12,032	\$12,032	\$0
7/1/2019-9/30/2019	23,393	23,233	160
10/1/2019-12/31/2019	21,860	21,860	0
1/1/2020-3/31/2020	32,170	32,425	(255)
Total	\$89,455	\$89,550	(\$95)
Legal Assistance Program			
10/1/2018-12/31/2018	\$13,090	\$13,090	\$0
1/1/2019—3/31/2019	31,952	35,931	(3,979)
4/1/2019-6/30/2019	37,517	37,517	0
7/1/2019-9/30/2019	40,159	34,674	5,485
Total	\$122,718	\$121,212	\$1,506

Source: Grant Management System and The Haven Accounting Records

For the Transitional Housing Program grant, the quarterly expenditures reported for two of the four FFRs did not reconcile to The Haven's accounting records. For one of the reports, The Haven reported \$160 in expenditures more than recorded in the accounting records. For the other report, The Haven reported \$255 in expenditures less than recorded in the accounting records. We did not take exception to these minor differences.

For the Legal Assistance Program grant, the quarterly expenditures reported for two of the four FFRs did not reconcile to The Haven's accounting records. For one of the reports, The Haven reported \$3,979 less in expenditures than recorded in the accounting records. For the other report, The Haven reported \$5,485 more in expenditures more than recorded in the accounting records. The Executive Director agreed that the FFRs were inaccurate and said The Haven had reached out to the OVW for technical assistance in correcting the FFRs going forward. The Executive Director said that the inaccuracies result from a lack of certainty about how the data should be entered. We recommend that the OVW require The Haven to correct the FFR data.

As of June 2021, The Haven should have submitted 20 quarterly FFRs, 10 for the Transitional Housing Program grants and 10 for the Legal Assistance Program grants. The Haven had submitted all 10 of the

reports for the Transitional Housing Program grant and 9 of the reports for the Legal Assistance Program grant. In addition, as shown in Table 5, The Haven submitted 13 of the 19 submitted reports significantly beyond the report due date. The Executive Director attributed the delays in submission of FFRs to the subrecipient not providing timely reports and supporting documents regarding its activities and to issues with the use of the JustGrants system, which is discussed in the Required Performance Reports section of this report.

Table 5

Required Federal Financial Reports

Award	Required FFR	Due Dates	Submission Dates	Days Late
Transitional Housing Program	10/01/2018-12/31/2018	01/30/2019	02/25/2019	26
	01/01/2019-03/31/2019	04/30/2019	08/18/2019	110
	04/01/2019-06/30/2019	07/30/2019	08/18/2019	19
	07/01/2019-09/30/2019	10/30/2019	01/30/2020	92
	10/01/2019-12/31/2019	01/30/2020	01/30/2020	0
	01/01/2020-03/31/2020	04/30/2020	05/17/2020	17
	04/01/2020-06/30/2020	07/30/2020	05/17/2021	291
	07/01/2020-09/30/2020	10/30/2020	05/17/2021	199
	10/01/2020-12/31/2020	01/30/2021	05/17/2021	107
	01/01/2021-03/31/2021	04/30/2021	05/17/2021	17
Average Days Late				88
Legal Assistance Program	10/1/2018-12/31/2018	01/30/2019	02/25/2019	26
	01/1/2019- 03/31/2019	04/30/2019	08/18/2019	110
	04/1/2019-06/30/2019	07/30/2019	08/18/2019	19
	07/01/2019-09/30/2019	10/30/2019	01/30/2020	92
	10/01/2019-12/31/2019	01/30/2020	05/24/2021	480
	01/01/2020-03/31/2020	04/30/2020	05/28/2021	393
	04/01/2020-06/30/2020	07/30/2020	05/28/2021	302
	07/01/2020-09/30/2020	10/30/2020	05/28/2021	210
	10/01/2020-12/31/2020	01/30/2021	05/28/2021	118
	01/01/2021-03/31/2021	04/30/2021	Not submitted	27
Average Days Late				194

Source: OIG Analysis

As noted in Table 5, for reports that had been submitted, The Haven submitted Transitional Housing Program grant FFRs on average 88 days late and Legal Assistance Program grant FFRs on average 194 days late. For the Legal Assistance Program grant, one report had not been submitted as of May 27, 2021, and was 27 days late. According to the DOJ Grants Financial Guide, grantees cannot drawdown funds until all FFRs are current. In addition to the late progress reports discussed earlier, The Haven's drawdowns for the Legal Assistance Program were also on hold because of its late FFR. We reviewed The Haven's Finance Manual and determined that it contains no information regarding the preparation of FFRs, and we believe this lack of information contributed to problems with FFR accuracy and timeliness noted above.

Consequently, we recommend that the OWW ensure The Haven develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted.

Conclusion and Recommendations

As a result of our audit testing, we conclude that The Haven did not adhere to all the grant requirements we tested but demonstrated adequate achievement of the grants' stated goals and objectives. However, we found that The Haven needed to strengthen its internal controls and guidance for staff regarding grant requirements pertaining to submission of timely programmatic and financial reports, subrecipient monitoring, indirect costs calculations, record retention, signature requirements for check writing, and drawdown requests. We did not identify significant issues regarding The Haven's use of funds. We provide 14 recommendations to the OVW to address these deficiencies.

We recommend that the OVW:

1. Ensure that The Haven develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.
2. Ensure that The Haven obtains training and assistance on procedures for reporting performance data.
3. Ensure that the Haven submits its client selection criteria for approval for the Legal Assistance Program grant.
4. Ensure that The Haven develops and implements written policies and procedures for subrecipient performance and financial monitoring.
5. Ensure that The Haven maintains documentation for all communication with its subrecipients.
6. Ensure that The Haven develops and implements policies and procedures to document its calculation of indirect costs in accordance with the DOJ Grants Financial Guide.
7. Ensure that The Haven modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.
8. Require The Haven to develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000.
9. Ensure that the Haven submits a GAM if it intends to carry out the proposed scope change to ensure completion of its project goals and objectives.
10. Ensure that The Haven promptly assess its planned grant expenditures for the remaining 9 months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary.

11. Ensure that The Haven develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly defines the roles and responsibilities for its staff.
12. Ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.
13. Require The Haven to correct the Federal Financial Reports.
14. Ensure The Haven develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted.

APPENDIX 1: Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants; and to determine whether the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant 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 objectives.

This was an audit of the Office on Violence against Women (OVW) grants awarded to The Haven, Inc. (The Haven) under the Transitional Housing Assistance Grants for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking and a Legal Assistance for Victims Grant Program. Through Grant 2018-WH-AX-0014 The Haven was awarded \$515,243 and through Grant 2018-WL-AX-0017 The Haven was awarded \$599,922, and as of December 2020, had drawn down \$129,280 of the total grant funds awarded. Our audit concentrated on, but was not limited to September 9, 2020, the entrance conference date, through May 2021, the end of our audit work. We noted that both grants had not reached the end of its grant period.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of The Haven's activities related to the audited grants. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, financial reports, progress reports, and program performance. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The Department of Justice's Grants Financial Guide and the awards documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from Office of Justice Programs' Grants Management System and JustGrants, as well as The Haven's accounting system specific to the management of Department of Justice funds during the audit period. We did not test the reliability of those systems, therefore any findings identified involving information from those systems were verified with documentation from other sources. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner.

Internal Controls

Our review of internal controls covered The Haven's established policies and procedures for grant management. We identified that The Haven's management is responsible for the establishment and maintenance of internal controls in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. §200. We reviewed how The Haven's controls were followed and allowed for the identification and response to risks related to grant management. We examined how The Haven used its accounting system to manage DOJ grant funds and communicate within its organization to ensure adequate oversight of DOJ grant funds. We reviewed The Haven's monitoring principles for performing routine reviews of the established control processes and corrective actions taken to address deficiencies that impact the oversight of DOJ grant funds.

The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our reviews are limited, it may not have disclosed all internal control deficiencies that may have existed at the time of the audit.

APPENDIX 2: The Haven Response to the Draft Audit Report⁴



1

August 25, 2021

Ferris B. Polk
Regional Audit Manager
Atlanta Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
75 Ted Turner Drive, Suite 1130
Atlanta, Georgia 30303

Dear Mr. Polk:

This is in response to correspondence from the Office of Inspector General (OIG) requesting comment on the recommendations associated with the draft audit report. The Haven appreciates the opportunity to review the report and concurs with the recommendations therein. Actions planned by the Haven with respect to the OIG's recommendations are below.

Should you have any questions or concerns regarding this response, please contact Julie M. Pellegrin at 985.872.0757.

Responses to Recommendations:

1. Ensure that The Haven develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.

Concur. The Haven developed Appendix VI to its Finance Policy Manual to establish procedures to ensure subrecipient data required for reports is obtained timely. See attached.
2. Ensure that The Haven obtains training and assistance on procedures for reporting performance data.

Concur. The Haven obtained training for reporting performance data through the JustGrants elearning video series and reference materials as recommended by OVW and the JustGrants help desk. The Haven will contact OVW regarding additional resources for training for the reporting of performance data. All training recommendation will be implemented. The Haven developed Appendix VII to its Finance Policy & Procedure Manual to establish performance reporting procedures. See attached.
3. Ensure that the Haven submits its client selection criteria for approval for the Legal Assistance Program grant.

Concur. The Haven will submit the case selection criteria via GAM to OVW by August 30, 2021.
4. Ensure that The Haven develops and implements written policies and procedures for subrecipient performance and financial monitoring.

Concur. The Haven developed Appendix VI to its Finance Policy Manual to establish procedures for subrecipient performance and financial monitoring. See attached.
5. Ensure that The Haven maintains documentation for all communication with its subrecipients.

Concur. The Haven developed Appendix VI to its Finance Policy Manual to establish procedures for subrecipient performance and financial monitoring, including documentation for communication. See attached.
6. Ensure that The Haven develops and implements policies and procedures to document its calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

P.O. Box 4279
Houma, LA 70361

www.havenhelps.org

985.872.0757

⁴ Attachments to this response were not included in this final report.

Concur. The Haven developed and incorporated into the Finance Policies and Procedures Manual the policy below. The policy can be found on page 12 of the manual.

Indirect Cost Rate. The De Minimis Indirect Cost Rate will be used by The Haven as The Haven does not currently have a federally approved indirect cost rate. The De Minimis Indirect Cost Rate is 10% of the Modified Total Direct Costs (MTDC). When using this method, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. This base includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes Equipment, capital expenditures, and the portion of each Subaward more than \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of Indirect Costs, and with the approval of the federal cognizant agency.

7. Ensure that The Haven modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.

Concur. The Haven will contract a CPA to ensure that the accounting system meets DOJ requirements and develop a system to ensure that all reporting and storing of grant transactions meet the DOJ Financial Guide standards. Follow up will be reported to OVW by September 15, 2021.

8. Require The Haven to develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000.

Concur. The Haven wants to note that while not originally included in our Finance Policy & Procedure Manual, The Haven provided our banking institution with a policy that requires two signatures greater than \$1,000. All signature cards on file at our banking institution have this notation on the card. When a check has been inadvertently submitted for payment that does not meet the two-signature requirement, the bank will not process the check for payment. The bank contacts the Board President or Vice President notifying them of the check presented for payment and request authorization. In such a circumstance, the board member would reach out to the agency to review the required documentation then give authorization to the bank. The 7 checks noted in the report would have received approval through this process.

To strengthen our policies and procedures and to help ensure that both required signatures are obtained, The Haven employed an administrative assistant to assist with the segregation of duties and added the policy below to our Finance Policy and Procedure Manual (page 4).

POLICIES ON DISBURSEMENTS

The Executive Director has (a) expenditure approval up to the parameters set by the annual operating budget as approved by the Board, and (b) single signature authority up to and including \$1,000 except for the Executive Director's personal expense reimbursement items which must be approved by a Board member having check signing authority. The deliberate splitting of vouchers or invoices which have the sole purpose or effect of meeting the parameters of this authority is expressly prohibited. Expenditure requests will be initiated in writing and approved within specified authority by the Executive Director. Pre-numbered check requests should be used, and sequences accounted for monthly. The Executive Director approves check requests after comparing to supporting documentation. The Operations Director prints the pre-numbered checks only with approved requests. The unsigned check, support and request are presented to authorized check signers for their signatures (information on checks is compared to support for accuracy). Two signatures are required on all organizational checks over \$1,000. The Executive Director's personal expense checks require two signatures regardless of amount. All disbursements are made by check and are accompanied by substantiating documentation. All checks are pre-numbered and accounted for monthly. The checks print in three (2) parts: * The original is sent out for payment * One copy is filed by vendor with support and all checks are accounted for monthly. · All voided checks must be defaced and retained either on the check stub or with canceled checks. No checks may be written to "cash" or "bearer". Blank checks are stored in a locked drawer. The Administrative Assistant is responsible for invoices and check requests being marked "PAID" once they have been. The Administrative Assistant will double check that all expenditures have the required number of signatures before they are sent out for payment. The Executive Director and one of three Board members (President, Vice-President,

and Board designee) are the two signatures which are required on all checks greater than \$1,000. The signature policy is provided to The Haven's financial institution (South Louisiana Bank).

9. Ensure that the Haven submits a GAM if it intends to carry out the proposed scope change to ensure completion of its project goals and objectives.

Concur. The GAM was submitted and is awaiting approval. The Haven will reach out to the OVW grant manager to determine status of approval.

10. Ensure that The Haven promptly assess its planned grant expenditures for the remaining nine months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary.

Concur. The Haven is preparing the GAM to request the no-cost extension and will submit by August 30, 2021.

11. Ensure that The Haven develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly defines the roles and responsibilities for its staff.

Concur. The Haven in consultation with OVW will develop and implement written policy and procedures for preparing and submitting drawdown requests. The policy will clearly define roles and responsibilities. The policy will be provided to OVW by August 30, 2021.

12. Ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

Concur. The Haven will have relevant staff trained on the policies and procedures for preparing drawdowns by August 30, 2021.

13. Require The Haven to correct the Federal Financial Reports.

Concur. The Haven received assistance from the JustGrants helps desk. The FFRs were corrected and all reporting is up to date.

14. Ensure The Haven develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted.

Concur. The Haven developed Appendix VIII to its Finance Policy Manual to establish policies and procedure to ensure that FFRs are accurate and timely submitted. See attached.

Sincerely,

 Julie M. Pellegrin
 Executive Director

P.O. Box 4279
 Houma, LA 70361

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985.872.0757

APPENDIX 3: The Office on Violence Against Women Response to the Draft Audit Report



U.S. Department of Justice

Office on Violence Against Women

Washington, D.C. 20530

September 8, 2021

MEMORANDUM

TO: Ferris B. Polk
Regional Audit Manager

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

Erin Lorah *EL*
Acting Associate Director, Grants Financial Management Unit

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

SUBJECT: Draft Audit Report – Audit of the Office on Violence
Against Women Grants Awarded to
The Haven, Inc., Houma, Louisiana

This memorandum is in response to your correspondence dated August 6, 2021 transmitting the above draft audit report for The Haven. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains 14 recommendations with no questioned costs. OVW is committed to addressing and bringing the open recommendations identified by your office to a close as quickly as possible. The following is our analysis of each OVW recommendation.

1. Ensure that The Haven develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.

Concur: OVW will work with The Haven to ensure that they develop and implement procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.

MEMORANDUM

SUBJECT: Update – Audit of the Office on Violence Against Women (OVW) Grants Awarded to The Haven, Inc., Houma, Louisiana.

2. Ensure that The Haven obtains training and assistance on procedures for reporting performance data.

Concur: OVW will work with The Haven to ensure that they obtain training and assistance on procedures for reporting performance data.

3. Ensure that the Haven submits its client selection criteria for approval for the Legal Assistance Program grant.

Concur: OVW will work with The Haven to ensure that it submits its client selection criteria for approval for the Legal Assistance Program grant.

4. Ensure that The Haven develops and implements written policies and procedures for subrecipient performance and financial monitoring.

Concur: OVW will work with The Haven to ensure that they develop and implement written policies and procedures for subrecipient performance and financial monitoring.

5. Ensure that The Haven maintains documentation for all communication with its subrecipients.

Concur: OVW will work with The Haven to ensure that they maintain documentation for all communication with their subrecipients.

6. Ensure that The Haven develops and implements policies and procedures to document its calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

Concur: OVW will work with The Haven to ensure that they develop and implement policies and procedures to document their calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

7. Ensure that The Haven modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.

Concur: OVW will work with The Haven to ensure that it modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.

8. Require the Haven to develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000.

Concur: OVW will require The Haven to develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000.

MEMORANDUM

SUBJECT: Update – Audit of the Office on Violence Against Women (OVW) Grants Awarded to The Haven, Inc., Houma, Louisiana.

9. Ensure that the Haven submits a GAM if it intends to carry out the proposed scope change to ensure completion of its project goals and objectives.

Concur: OVW will work with The Haven to ensure that it submits a GAM if it intends to carry out the proposed scope change to ensure completion of its project goals and objectives.

10. Ensure that The Haven promptly assess its planned grant expenditures for the remaining nine months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary.

Concur: OVW will work with The Haven to ensure that they promptly assess planned grant expenditures for the remaining nine months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary.

11. Ensure that The Haven develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly defines the roles and responsibilities for its staff.

Concur: OVW will work with The Haven to ensure that they develop and implement written policies and procedures for preparing and submitting drawdown requests and clearly define the roles and responsibilities for its staff.

12. Ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

Concur: OVW will work with The Haven to ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

13. Require The Haven to correct the Federal Financial Reports.

Concur: OVW will require The Haven to correct the Federal Financial Reports.

14. Ensure The Haven develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted.

Concur: OVW will work with The Haven to ensure that they develop and implement policies and procedures to ensure that FFRs are accurate and timely submitted.

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.

MEMORANDUM

SUBJECT: Update – Audit of the Office on Violence Against Women (OVW) Grants Awarded to The Haven, Inc., Houma, Louisiana.

cc Louise M. Duhamel, Ph.D.
Acting Director, Internal Review and Evaluation
Office Audit Liaison Group, Justice Management
Division

Myrta Charles
Program Specialist
Office on Violence Against Women

Thelma Bailey
Program Assistant
Office on Violence Against Women

APPENDIX 4: 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 on Violence Against Women (OVW) and The Haven. The OVW's response is incorporated in Appendix 3 and The Haven's response is incorporated in Appendix 2 of this final report. In response to our draft audit report, the OVW and The Haven concurred with our recommendations, and as a result, the status of the audit report is resolved. For recommendations 1, 2, 4, 5, and 14, The Haven provided additional documents that are not included with its response in this final report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendation for OJP:

- 1. Ensure that The Haven develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.**

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it develops and implements procedures to ensure subrecipient data required for performance reports is obtained timely for use in performance reports. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and provided in its response a copy of Appendix VI to its Finance Policy Manual to establish procedures to ensure subrecipient data required for reports is obtained timely. However, The Haven did not provide support that these procedures had been implemented.

This recommendation can be closed when we receive documentation to support the OVW's agreement with the procedures developed and implemented to ensure subrecipient data required for performance reports is obtained timely for use in performance reports.

- 2. Ensure that The Haven obtains training and assistance on procedures for reporting performance data.**

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it obtains training and assistance on procedures for reporting performance data. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it obtained training for reporting performance data through the JustGrants eLearning video series and reference materials as recommended by the OVW and the JustGrants help desk. In addition, The Haven stated it plans to contact the OVW regarding additional resources for training on the reporting of performance data. It also plans to implement all training recommendations. The Haven also provided a copy of Appendix VII to its Financial Policy and Procedure Manual to establish performance reporting procedures.

This recommendation can be closed when we receive documentation that supports The Haven obtained training and assistance on procedures for reporting performance data, along with the OVW agreement with the policies and procedures developed and implemented for performance reporting procedures.

3. Ensure that The Haven submits its client selection criteria for approval for the Legal Assistance Program grant.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it submits its client selection criteria for approval for the Legal Assistance Program grant. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it will submit its client selection criteria for approval for the Legal Assistance Program grant.

This recommendation can be closed when we receive documentation that OVW has approved The Haven's revised client selection criteria for the Legal Assistance Program grant.

4. Ensure that The Haven develops and implements written policies and procedures for subrecipient performance and financial monitoring.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it develops and implements written policies and procedures for subrecipient performance and financial monitoring. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and provided along with its response a copy of Appendix VI to its Finance Policy Manual to establish procedures for subrecipient performance and financial monitoring. However, The Haven did not provide support the established procedures had been implemented.

This recommendation can be closed when we receive documentation to support the OVW's agreement with the written policies and procedures developed and implemented for subrecipient performance and financial monitoring.

5. Ensure that The Haven maintains documentation for all communication with its subrecipients.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it maintains documentation for all communication with their subrecipients. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and provided in its response a copy of Appendix VI to its Finance Policy Manual to establish procedures for subrecipient performance and financial monitoring, including documentation for communication.

This recommendation can be closed when we receive documentation to support the OVV's agreement with the policies and procedures developed and implemented by The Haven for communicating with its subrecipients.

6. Ensure that The Haven develops and implements policies and procedures to document its calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

Resolved. The OVV concurred with our recommendation. The OVV stated in its response that it will work with The Haven to ensure that it develops and implements policies and procedures to document the calculation of indirect costs in accordance with the DOJ Grants Financial Guide. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it developed and incorporated into its Finance Policies and Procedures Manual guidance for the calculation of indirect costs. In its response, The Haven provided an example of the language included in its policies and procedures manual, but it did not provide documentation to support that the policies and procedures had been incorporated into its Finance Policies and Procedure Manual and did not provide support that the policies and procedures had been implemented.

This recommendation can be closed when we receive documentation to support the policies and procedures developed and implemented for the calculation of indirect costs in accordance with the DOJ Grants Financial Guide.

7. Ensure that The Haven modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained.

Resolved. The OVV concurred with our recommendation. The OVV stated in its response that it will work with The Haven to ensure that it modifies its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are properly maintained. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response it will contact a Certified Public Accountant to ensure that the accounting system meets DOJ requirements and develop a system to ensure that all reporting and storing of grant transactions meet DOJ Financial Guide standards. In its response, The Haven also stated that it will follow up with the OVV by September 15, 2021.

This recommendation can be closed when we receive documentation to support that The Haven modified its accounting system to ensure that requirements for recording and reporting on grant transactions are met and records are property.

8. **Require The Haven develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000.**

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will require The Haven to develop and implement procedures to ensure that both required signatures are provided for checks greater than \$1,000. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that while not originally included in its Finance Policy and Procedure Manual, The Haven provided its banking institution with a policy that requires two signatures for checks greater than \$1,000. The Haven also stated that to strengthen its policies and procedures and to help ensure that both required signatures are obtained, The Haven employed an administrative assistant to assist with the segregation of duties and added policy to its Finance Policy and Procedure Manual. In its response, The Haven provided an example of the language included in its policies and procedures manual, but did not provide documentation to support that the policies and procedures had been incorporated into its Finance Policies and Procedure Manual, along with support that the policies and procedures had been implemented.

This recommendation can be closed when we receive documentation to support the policies and procedures developed and implemented to ensure that both required signatures are provided for checks greater than \$1,000.

9. **Ensure that The Haven submits a Grant Adjustment Modification (GAM) if it intends to carry out the proposed scope changes to ensure completion of its project goals and objectives.**

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it submits a GAM if it intends to carry out the proposed scope change to ensure completion of its project goals and objectives. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that the GAM was submitted and is awaiting approval. The Haven also stated that it will reach out to the OVW grant manager to determine the status of approval.

This recommendation can be closed when we receive documentation to support the approved GAM submitted by The Haven to carry out the proposed scope changes to ensure completion of its project goals and objectives.

10. **Ensure that The Haven promptly assess its planned grant expenditures for the remaining 9 months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary.**

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it

will work with The Haven to ensure that it promptly assesses planned grant expenditures for the remaining 9 months of the Legal Assistance Program grant and request approval for a no-cost extension of the grant period, if necessary. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it was preparing a GAM to request a no-cost extension and would submit the request by August 30, 2021.

This recommendation can be closed when we receive documentation that supports The Haven's assessment of its planned grant expenditures for the remaining 9 months of the Legal Assistance Program grant and, if necessary, documentation to support the request for a no-cost extension of the grant period.

11. Ensure that The Haven develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly defines the roles and responsibilities for its staff.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it develops and implements written policies and procedures for preparing and submitting drawdown requests and clearly define the roles and responsibilities for its staff. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that, in consultation with the OVW, it will develop and implement written policies and procedures for preparing and submitting drawdown requests and clearly define the roles and responsibilities for its staff.

This recommendation can be closed when we receive documentation to support written policies and procedures developed and implemented for preparing and submitting drawdown requests and the clearly defined roles and responsibilities for its staff.

12. Ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it would have relevant staff trained on the policies and procedures for preparing drawdowns by August 30, 2021.

This recommendation can be closed when we receive documentation to support all staff responsible for grant financial management are trained on policies and procedures for preparing drawdowns.

13. Require The Haven to correct the Federal Financial Reports (FFRs).

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will require The Haven to correct its FFRs. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and stated in its response that it received assistance from the JustGrants help desk, the FFRs were corrected, and all reporting is up to date.

This recommendation can be closed when we receive documentation to support the corrected FFRs.

14. Ensure The Haven develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted.

Resolved. The OVW concurred with our recommendation. The OVW stated in its response that it will work with The Haven to ensure that it develops and implements policies and procedures to ensure that FFRs are accurate and timely submitted. As a result, this recommendation is resolved.

The Haven concurred with our recommendation and provided a copy of Appendix VIII for its Finance Policy Manual establishing policies and procedures to ensure that FFRs are accurate and timely submitted. However, The Haven did not provide documentation to support that the policies and procedures had been implemented.

This recommendation can be closed when we receive documentation to support the OVW's agreement with the policies and procedures developed and implemented to ensure that FFRs are accurate and timely.