



SEMIANNUAL REPORT TO CONGRESS

APRIL 1, 2024 – SEPTEMBER 30, 2024



OFFICE OF INSPECTOR GENERAL

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LEGAL SERVICES CORPORATION

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**TO THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION
AND TO THE UNITED STATES CONGRESS**

A Message from the Inspector General

I am pleased to submit this report on the activities and accomplishments of the Legal Services Corporation (LSC) Office of Inspector General (OIG) for the period April 1, 2024, through September 30, 2024.

During this reporting period, consistent with the goals and objectives outlined in our [Strategic Plan](#), we helped LSC stay ahead of the curve in addressing risks, taking corrective actions, and addressing opportunities for improvement. Of note, we continued to monitor LSC's implementation of longstanding open OIG audit recommendations to establish current policies and procedures manuals for several of LSC's component offices: its Offices of Compliance and Enforcements (OCE), Financial and Administrative Services (OFAS), and Program Performance (OPP). While the OCE manual was completed in September 2024, sustained management attention will be critical to ensuring timely completion of manuals for OFAS and OPP, including OPP's disaster grants program.

We also doubled down on our robust fraud prevention activities. That included issuing a [Management Advisory](#) laying out a comprehensive strategy for proactively identifying fraud risks and early warning signs of fraud in LSC programs. Our strategy aligns with recent reporting from the U.S. Government Accountability Office on the extent of fraud risks in federal spending.

During this reporting period, the OIG produced high-impact audits, investigations, and other proactive oversight engagements. Highlights of the OIG's accomplishments during the reporting period include:

- We continued to have a positive impact on grantees' programs and operations through audit reporting that documented specific internal control weaknesses, made recommendations for corrective action, and identified questioned costs. We also closed 27 audit recommendations that spurred improvements in areas such as general ledger and financial controls, credit card usage, fixed asset inventories, employee benefits, payroll, and disbursements.
- We carried out our essential responsibility to review grantees' financial statement audit reports. We reviewed 108 financial statement audits of LSC grant recipients issued by

Independent Public Accountants (IPAs), referring 25 significant findings to LSC management for corrective action. These critical audits promote transparency and integrity in the use of federal funds and are required under federal appropriations law.

- We also provided oversight for the annual audit of the Corporation's financial statements, conducted by an independent certified public accounting firm under contract to the OIG. The auditors issued a "clean opinion" on the financial statements.
- We continued executing the OIG's comprehensive audit quality control program, completing 25 reviews of the firms that conduct financial statement audits of grant recipients. These reviews are intended to help IPAs conduct rigorous and efficient grantee audits. We also issued an advisory on common findings and recommendations for IPAs to carefully consider as they execute their audit work.
- OIG investigative activities promoted integrity and ethical use of U.S. taxpayer dollars. This included obtaining a questioned cost determination totaling \$165,214 for compensation to a fiscal officer for hours not worked and a repayment to an LSC grantee totaling \$20,800 for improper student loan reimbursements. In addition, investigative activity resulted in three recovery referrals to LSC management totaling \$1,653,908, one regulatory referral, one employee resignation, and a partial suspension of a grant. We opened 20 investigative cases, closed 18 investigative cases, and issued 28 investigative reports involving a variety of criminal and regulatory matters, such as theft, check fraud, cybercrimes, outside employment, misuse of government funds, and impermissible outside practice of law.
- Through management and fraud advisories, we kept LSC and grantees well-informed about current risks to their programs or client base, and provided practical information on how to prevent, detect, or respond to such risks. For example, we issued a Management Advisory in the prior reporting period, on monitoring of student loan assistance programs, that resulted in LSC implementing new documentation requirements on their Basic Field Grant application. We also issued two Fraud Advisories; one on mitigating the growing risk of cyber-attacks, which included new guidance from Cybersecurity & Infrastructure Agency (CISA), and another on enabling Positive Pay, an automated cash-management service used by banks to prevent check fraud schemes.
- The OIG continued our IT Vulnerability Assessment Program, which assists grantees

in protecting their IT systems against hackers and fraud schemes. Notably, we issued a summary report highlighting prudent actions that grantees can take to avoid becoming victims of cyber-attacks.

- In response to the escalation of ransomware, email scams, and other cyberattacks, we maintain a dedicated OIG website with links to cybersecurity resources for grantees. We also presented five Cybercrimes Awareness Briefings during this period, including a live webinar during a Management Information Exchange conference.

My team and I will continue working productively with LSC's Board of Directors, Congress, LSC leadership and staff, and grantees to promote program integrity, transparency, and accountability for results. In doing so, we share a common commitment to maximizing the funds invested in civil legal assistance for low-income Americans.

Sincerely,



Thomas E. Yatsco

Inspector General

October 2024

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Office of the Inspector General Overview

As required by the Inspector General Act,¹ the LSC OIG is fully committed to advancing two principal oversight missions: (1) to promote economy and efficiency in the activities and operations of LSC and its grantees; and (2) to prevent and detect fraud, waste, and abuse.

To achieve our oversight missions, we perform audits, evaluations, and reviews, and conduct criminal, administrative, and regulatory compliance investigations. In conducting our oversight work, we adhere to five core values (shown below). Our independent and objective fact-finding activities enable us to develop recommendations for LSC and its grantees, as well as for Congress, for actions that will correct problems, better safeguard the integrity of funds, identify risks, and in the end increase the economy, efficiency, and effectiveness of LSC and its grantees' programs. When we substantiate allegations of fraud, we also work with the appropriate authorities to hold perpetrators accountable.

The OIG is headed by an Inspector General (IG), who reports to and is under the general supervision of the LSC Board of Directors. The IG has broad authority to manage the organization, including setting OIG priorities, directing OIG activities, and hiring OIG personnel and contractors.

To ensure objectivity, the IG Act grants the LSC IG independent authority to determine what audits, investigations, and other reviews are performed, to gain access to all necessary documents and information, and to report OIG findings and recommendations to LSC management, the Board of Directors, and directly to Congress.

The IG reports serious problems to the LSC Board of Directors and must also work with the appropriate law enforcement authorities when, through audit, investigation, or otherwise, the IG finds that there are reasonable grounds to believe a crime has occurred. The IG is required by law to keep Congress fully and currently informed of its activities through semiannual reports and other means.



¹ Inspector General Act of 1978, as amended, 5 USC §§401-424.

Audits

Audit Highlights

April 1, 2024- September 30, 2024

OIG Audit Reports



2
Audit Reports Issued



19
Recommendations Issued



\$43,086
Questioned Costs



27
Recommendations Closed



6
IT Vulnerability Scans & Grantee Vulnerability Reports

Grantee Financial Statement Reviews & IPA Oversight



108
Financial Statements Reviewed



25
A-50 Findings Referred to LSC Management



25
Quality Control Reviews of Grantee IPAs

Grantee & IPA Outreach



2
Advisories & Other Issued Oversight Products

During this reporting period, the OIG issued eight reports: two intended to ensure LSC's continued fiscal integrity and grantee's operational efficiency, five intended to inform the subject grantees of potential vulnerabilities in their IT systems, and a special summary report intended to raise all grantees' awareness of IT system vulnerabilities.² The OIG also issued one memorandum addressing outstanding recommendations related to developing and updating policies and procedures in various LSC component offices, and one advisory, detailing common Quality Control Review (QCR) findings for fiscal years 2022 and 2023 annual audits of LSC grantees. Summaries of the reports are provided below.

At the conclusion of the period, we had five audit projects underway that focus on key elements of LSC's and grantees' programs and operations.

The OIG has responsibility under federal appropriations law for [overseeing the audits](#) performed annually at each grantee by independent public accountants (IPAs). During the reporting period, we reviewed 108 IPA reports, with fiscal year ending dates ranging from June 30, 2023, through January 31, 2024.

² The special summary IT Vulnerability Assessment report was issued only to LSC grantees due to the sensitive information contained therein; a summary (redacting participants) of that report was posted to the OIG website.

We issued 25 [QCR reports](#) this period. The goals of the QCR initiative are to improve the overall quality of the IPA audits and to ensure that all audits are conducted in accordance with applicable standards and the guidance provided by the OIG.

FY2023 LSC Corporate Financial Statement Audit

An independent public accounting firm, under contract with and subject to general oversight by the OIG, conducted LSC's FY 2023 financial statement audit. LSC received an unqualified opinion on the audit. The OIG reviewed the work of the public accounting firm and did not find any instances of noncompliance with generally accepted government auditing standards.

The Independent Auditor's Report on Internal Control over Financial Reporting found that the results of their tests disclosed no deficiencies in internal control that would be considered material weaknesses.

The Independent Auditor's Report on Compliance and Other Matters reported that the results of their tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*.

Northwest Justice Project

The OIG assessed the internal controls at Northwest Justice Project (NJP), which is the LSC grantee that serves the entire state of Washington and received \$8,107,356 in funding from the Legal Services Corporation during Fiscal Year 2022.

Findings

The audit identified 15 reportable findings across 10 areas, indicating the need for NJP to strengthen and formally document its internal controls. The areas of concern included non-compliance with LSC regulations and guidelines, inadequate documentation, and insufficient oversight in operational areas of derivative income, employee benefits, property and equipment, contracting, credit cards, cost allocation, general ledger and financial controls, disbursements, client trust funds, and payroll. These issues were attributed to factors such as the COVID-19 pandemic, and inadequate recordkeeping and documentation.

Recommendations

The report included 19 recommendations focusing on ensuring proper documentation of approvals and recordkeeping, updating policies to align with the LSC Financial Guide, and establishing appropriate segregation of duties. Only one area, budgeting and management reporting, had no internal control weaknesses noted.

We referred to LSC management two recommendations as well as questioned costs totaling \$43,086, related to NJP's law school loan reimbursement assistance program and the allocation of attorneys' fees, for review and action.

Management's Response

NJP management agreed with 14 recommendations, partially agreed with four, and disagreed with one. They provided proposed actions to address 17 recommendations, which will remain open until the OIG is provided with evidence of strengthened procedures and policies.



Grantee Computer Networks Information Technology Vulnerability Assessments

Since 2016, OIG has maintained a program to conduct IT Vulnerability Assessments of grantees' computer networks. We engaged a specialized contractor to perform the assessments. The assessments test for potential vulnerabilities in the system architecture, software, and processes from within and outside of the grantee networks. During this reporting period we issued five grantee assessment reports. Each assessed grantee received a report that included detailed findings and recommendations to remediate vulnerabilities.³ Of concern, all assessed grantees scored in the unacceptable range, which is the lowest possible.

This period we transmitted a special report to all grantee executive directors and their respective board chairs as well as the LSC Board of Directors and LSC management. The special report summarized the findings and recommendations from the most recent round of assessments. The special report also detailed common security issues and provided best practices to mitigate those vulnerabilities. The special report provided insight into common problem areas that may affect LSC grantees and identified ways to strengthen grantees' network security through short-term and longer-term actions.

³ Due to the sensitive information contained in the report, it was issued only to the assessed grantees, and not posted to the OIG website.

OIG Memorandum Addressing Open Recommendations to Complete Policies and Procedures

On September 18, 2024, the OIG issued a memorandum to LSC management, titled “Addressing Open Recommendations to Complete Policies and Procedures for the Offices of Compliance and Enforcement, Financial and Administrative Service, and Program Performance.”

The purpose of the memorandum was to formally follow up on various, long-outstanding audit recommendations to LSC management regarding the development and formalization of policies and procedures for the Office of Compliance and Enforcement (OCE), the Office of Financial and Administrative Services (OFAS), and the Office of Program Performance (OPP).⁴ We detailed three recommendations, which have remained open since we made them in a July 2022 [audit report](#). LSC agreed to implement these recommendations in their response to our July 2022 report.

In response to the memorandum, LSC management reported that they completed the OCE Policies and Procedures Manual and distributed it to OCE staff on September 23, 2024; it will be effective January 1, 2025. The completion of the OPP Policies and Procedures Manual was delayed, and the Manual now has an estimated completion date by the end of the year (2024). LSC management stated that the OFAS Accounting Procedures manual will be completed “by the end of October 2024.”

⁴ Current, documented, and formally approved policies and procedures are a fundamental component of internal control and can help protect organizations from financial and operational risk.

Statistical Overview



Audits

6

Open at beginning of the reporting period

1

Opened during the reporting period

2

Audit reports issued or closed during the reporting period

5

Open at end of the reporting period



Recommendations to LSC Grantees

52

Open at beginning of the reporting period

19

Issued during the reporting period

27

Closed during the reporting period

44

Open at end of the reporting period



Recommendations to LSC Management

3

Open at beginning of the reporting period

0

Issued during the reporting period

0

Closed during the reporting period

3

Open at end of the reporting period

Oversight of Grantee Financial Audits

Independent Audits of Grantees

Since 1996, LSC’s annual appropriations acts have required that each person or entity receiving financial assistance from LSC be subject to an annual audit by an IPA. Each grantee contracts directly with an IPA to conduct the required audit in accordance with generally accepted government auditing standards and the LSC OIG Audit Guide.

The OIG provides guidance to the IPAs and grantees, as well as general oversight of the IPA audit process. Our oversight activities, detailed below, include desk reviews and a quality control program with independent reviews.

Quality Control Reviews

Under our QCR program, IPA firms performing grantee audits are subject to review to determine whether their work is being conducted in accordance with applicable standards and with the guidance issued by our office. These reviews help ensure the quality and rigor of grantee audits, promoting stronger oversight. The reviews are conducted by a certified public accounting (CPA) firm under contract with the OIG. The contractor also identifies issues that may require further attention or additional audit work by the IPA under review.



This period, the OIG conducted 25 QCRs. The QCRs found the following:

- Nine of the financial statement audits met standards with no exceptions.
- Fifteen of the audits met standards with one or more exceptions.

- Four of these required the IPAs to perform additional work and provide documentation to support their conclusions.
 - One of the IPAs provided the additional work and documentation, which we determined satisfactorily addressed the exceptions.
 - The additional work performed by the other three IPAs is not yet due to the OIG.
- Eleven of these resulted in the OIG issuing recommendations to the IPAs to implement in future audits of LSC grantees.
- For one of the audits, we notified the IPA that additional work was required before we could determine if the audit met standards.
 - The IPA subsequently provided additional documentation which we are currently evaluating.
- During previous reporting periods, we found that four financial statement audits contained deficiencies and required additional work from the IPAs. The IPAs performed satisfactory additional work, and we consider the QCRs closed.

Common Quality Control Review Findings and Recommendations to Ensure Rigorous Annual Audits of LSC Grantees (Advisory)

In September 2024, to promote stronger financial oversight within the LSC grant program, we released an Audit Advisory titled, [Ensuring Independent Public Accounting Firms Conduct Rigorous Annual Audits of LSC Grantees – Recommendations Based on Fiscal Years 2022 and 2023 Quality Control Reviews](#). The advisory was issued to all grantee executive directors, chief financial officers, and their respective independent public accountants and Board Chairs.

The advisory's key elements include:

- [Summary of QCR Findings](#) which presents the findings from our review of financial statement audits conducted for LSC grantees in fiscal years 2022 and 2023.
- [Recommendations for Improved Audits](#) which identify areas where audit procedures could be strengthened to enhance the reliability and accuracy of future grantee financial audits.

Desk Reviews of Grantees' Annual Audit Reports: IPA Audit Findings

The OIG conducts desk reviews of IPA reports issued to grantees to identify potential problems or concerns that may warrant follow-up by LSC management or by the OIG via audit, investigation, or other review. The audit reports and the findings reflect the work of the IPAs, not the OIG. The results of our desk reviews, discussed below, are used as part of our risk assessment and planning processes and shared with LSC management. We also review recommendations to determine whether the grantees' actions were responsive and appropriate.

During this reporting period, the OIG reviewed 108 IPA audits of grantees with fiscal year ending dates from June 30, 2023, through January 31, 2024. These audit reports contained 113 findings. The OIG reviewed the findings and determined that 88 were not significant, or that corrective action had already been completed. The 25 significant findings were referred to LSC management during the period for follow-up.

 **Follow-up Process**

LSC’s annual appropriation acts have specifically required that LSC follow-up on significant findings identified by the IPAs, which are reported to LSC’s management by the OIG. Unless the deadline is extended, IPA audit reports are submitted to the OIG within 120 days of the close of each grantee’s fiscal year. As noted above, through our desk review process the OIG reviews each report and refers appropriate findings and recommendations to LSC management for follow-up. LSC management is responsible for ensuring that grantees submit appropriate corrective action plans for all material findings, recommendations, and questioned costs identified by the IPAs and referred by the OIG to LSC management.

After corrective action has been taken by a grantee, LSC management notifies the OIG and requests that the finding(s) be closed. The OIG reviews LSC management’s request and decides independently whether it will agree to close the finding(s).

The following table presents information on the findings outlined in this section.

Summary of Significant Findings Reported in Grantee Financial Statement Audits with Fiscal Years Ending June 30, 2023, through January 31, 2024

<u>Category</u>	<u>Number of Findings</u>
Financial Transactions and Reporting.....	12
Missing Documentation.....	5
Policies and Procedures/Other	6
Timekeeping.....	0
Segregation of Duties	2
TOTAL.....	25

Investigations

Investigative Highlights

April 1, 2024 – September 30, 2024

OIG Investigations

 **28**
Investigative Reports Issued

 **89**
Hotlines

 **\$1,839,922**
Recoveries/Referrals

 **20**
Investigative Cases Opened

 **1**
Employee Resignations

 **18**
Investigative Cases Closed

OIG Proactive Work

 **3**
Opened Fraud Prevention Reviews

 **3**
Closed Fraud Prevention Reviews

 **3**
Fraud Advisories and Other Oversight Products

OIG Other Preventive Efforts

 **LSC OIG Cybersecurity Webpage**
continuously updated

 **5**
Fraud Awareness Briefings and Presentations

The OIG opened 20 cases during the period. These included 17 investigative cases and three Fraud Prevention Reviews (FPRs). The investigative cases included allegations of theft, check fraud, cybercrimes, outside employment, misuse of government funds, impermissible outside practice of law, and other potential violations of LSC statutory and regulatory requirements.

The OIG closed 18 cases during the reporting period. These included 14 investigative cases, three FPRs, and one questioned costs case.

This reporting period the OIG continued its robust fraud prevention activities, including issuing a Management Advisory titled, “OIG Strategy: Enhancing Proactive Efforts to Prevent and Detect Fraud, Waste, and Abuse in Legal Services Corporation Programs.” In the advisory, we notified LSC that following on a recently issued a significant report on fraud risk management by the U.S. Government Accountability Office (GAO), the OIG developed a comprehensive strategy for proactively identifying fraud risks and early warning signs of fraud in LSC programs. The advisory was also posted on the OIG [website](#).

During this reporting period, OIG investigative activity resulted in three recovery referrals totaling \$1,653,908,⁵ two repayments totaling \$186,014, a partial suspension of a grant, an employee resignation, a regulatory referral, and changes to LSC’s Basic Field Grant

⁵ In this section, numbers have been rounded to the nearest dollar.

application to enhance monitoring of student loan assistance programs. In addition, the OIG issued a management advisory and two fraud advisories.



Recovery Actions

Questioned Cost Referral and Determination and Partial Suspension of Grant

An OIG investigation, initiated based on a referral from LSC management, found that an LSC grantee fiscal officer was paid with LSC funds for hours she did not work and for time that was not supported with timesheets, in violation of LSC requirements. The investigation determined that the fiscal officer had full time outside employment, which the grantee was aware of at the time of hire, and the grantee did not ensure that the fiscal officer was properly and accurately reporting her time. As a result, the OIG referred the fiscal officer's salary for the period of September 2022 through January 2024, totaling \$110,149, to LSC management for a questioned cost determination.

Due to the OIG referral, LSC initiated questioned cost proceedings under 45 C.F.R. Part 1630, Subpart C—Questioned Cost Proceedings, and initiated a partial suspension of their grant under 45 C.F.R. §1623.4, Suspension procedures.

As a result of the OIG referral, LSC made a final decision to disallow \$165,214. LSC applied the \$110,149 of the suspended funds to the disallowed costs and has required the grantee to repay LSC the balance of \$55,065.

Recovery of Improper Student Loan Reimbursements and Employee Resignation

An LSC grantee employee repaid the grantee \$20,800 in improper student loan reimbursements as a result of the OIG's Management Advisory titled, "Enhancing Monitoring of Student Loan Assistance Programs."⁶

Based on the OIG's advisory, the grantee took a closer look at their student loan reimbursement program. As a result, the grantee found that an employee received \$6,800 in reimbursements from the grantee after their student loan had been forgiven. After the employee reviewed the OIG's advisory, they reported an additional \$14,000 in reimbursements received from the grantee while their student loan was in forbearance prior to their loan forgiveness.

⁶ [Management Advisory – Enhancing Monitoring of Student Loan Assistance Programs](#)

As a result of the OIG's advisory, the employee repaid the grantee \$20,800 and resigned from the grantee.

Questioned Cost Referral – Improper Payments for Student Loan Repayment Assistance

During a review of an LSC grantee's student loan assistance plan, the OIG found that the grantee potentially made improper payments under their employee student loan reimbursement policy from 2020 through 2023. The OIG found that the improper payments were the result of overpayment by the grantee and lack of documentation from twelve employees to support their reimbursements. These improper payments were in violation of the grantee's policies and LSC requirements under 45 C.F.R. Part 1630—Cost Standards and Procedures.

The OIG found that the grantee paid twelve employees improper payments totaling \$36,601 under their student loan reimbursement plan and that \$19,906 was funded by LSC. As a result, the OIG referred the improper payments totaling \$19,906 to LSC management for consideration of a questioned cost recovery.

Questioned Cost Referral – Contracting: Failure to Follow LSC Requirements and Grantee Policies

An OIG investigation initiated from a Hotline complaint found that an LSC grantee contracted with an IT company but did not comply with their internal policies or LSC requirements.

For the years 2021, 2022, and 2023, the grantee contracted with the IT company for an estimated cost of more than \$125,000 annually. The grantee's internal policies required solicitation of three bids and associated documentation for contracts over \$3,500 and required approval from the grantee's Board of Directors for purchases over \$10,000. The OIG investigation found that the grantee did not follow their internal procurement policies for the contracts with the IT company. In addition, LSC requires grantees to request prior approval from LSC for service contracts that may use more than \$25,000 of LSC funds per 45 C.F.R. Part 1631--Purchasing and Property Management. The OIG investigation found that the grantee allocated between 60 percent and 66 percent of the monthly contract cost to LSC. The grantee did not request prior approval from LSC for the contracts with the IT company for the years 2021, 2022, and 2023.

As a result, the OIG referred \$185,173, representing the amount of the service contract allocated to LSC during 2021, 2022, and 2023, to LSC management for consideration of a questioned cost recovery.

Update: Referral for Recovery of Additional Unspent LSC Funds Due to a Regulatory Violation

An OIG investigation, first reported in the semiannual report for the period ending September 30, 2022, found that between 2014 and 2020, \$1,561,846 in unspent LSC restricted funds (which exceeded the allowable LSC annual carryover amount) were improperly reallocated by the grantee to an unrestricted net asset account. The OIG determined that the grantee violated LSC Regulation 45 C.F.R. Part 1628--Recipient Fund Balances, as well as other LSC regulations and requirements, by placing the funds in an unrestricted account and not reporting the unspent funds to LSC. The OIG referred the issue to LSC management with a recommendation that LSC consider recovering \$1,561,846 in unspent funds under Part 1628. As a result of the OIG's referral, LSC management imposed two special grant conditions on the grantee, including requiring the grantee to cooperate with a forensic audit of the grantee's financial activities for 2014 through 2022.

Since the OIG's initial referral, the grantee's 2021 audited financial statements, dated May 11, 2023, reported an LSC grant "recoupment" of \$1,561,847. The OIG investigation confirmed that this recoupment to LSC documented in the 2021 financial statements did not occur.

As a result, during this reporting period, the OIG referred to LSC management an additional \$1,448,829 in unreported and unspent LSC carryover funds by the grantee.



Regulatory Action

Executive Director's Outside Practice of Law

An OIG investigation, based on a referral from LSC management, found that an Executive Director of an LSC grantee improperly maintained his private practice while employed at the grantee. While employed by the grantee, the Executive Director continued to work cases from his private practice without written approval from the grantee's Board of Directors and accepted new outside cases for personal income.

The investigation found that the Executive Director’s outside practice of law was inconsistent with the requirements of 45 C.F.R. Part 1604--Outside Practice of Law. As a result, the OIG referred the issue to LSC management for review and any action deemed appropriate.

Fraud Prevention Initiatives

The OIG maintains an active fraud prevention program, engaging in a variety of outreach and educational efforts intended to help protect LSC and its grantees from fraud and abuse. We regularly conduct Fraud Awareness Briefings (FABs) and Cybercrimes Awareness Briefings (CABs). In addition, we continued conducting FPRs (see [Fraud Prevention Reviews](#)) a program initiated during the prior reporting period. This period we also issued one management advisory and two fraud advisories to grantees via email. Management advisories and fraud advisories are posted on our [website](#) to help increase grantees’ awareness of developing trends that may pose a risk to their operations and to LSC funds.

Management Advisories

OIG Strategy: Enhancing Proactive Efforts to Prevent and Detect Fraud, Waste, and Abuse in Legal Services Corporation Programs

This reporting period, we provided LSC management with a management advisory titled, “OIG Strategy: Enhancing Proactive Efforts to Prevent and Detect Fraud, Waste, and Abuse in Legal Services Corporation Programs.” The advisory was also posted on the OIG [website](#).

In the advisory, we notified LSC that following on a recently issued a significant report on fraud risk management by the U.S. Government Accountability Office (GAO), the OIG developed a comprehensive strategy for proactively identifying fraud risks and early warning signs of fraud in LSC programs. We also notified LSC of our key takeaways from the GAO report.⁷

The OIG emphasized its commitment to helping LSC execute its core responsibilities to

⁷ Key takeaways included the significance of the estimated annual loss from fraud in federal spending—as much as \$521 billion per year and management and Inspectors General should emphasize fraud prevention and simultaneously focus on early detection of red flag indicators of fraud that could waste scarce resources.

actively manage fraud risks, detailing the OIG’s comprehensive strategy for meeting the intent of GAO’s conclusions and call to action. The OIG’s strategy for preventing fraud in LSC programs, included:

- Expanding OIG’s fraud prevention review program to reach more grantees;
- Identifying more opportunities to conduct fraud awareness briefings for grantees and LSC staff;
- Continuing our essential focus on actively investigating credible allegations of misconduct holding wrongdoers accountable; and
- Using and promoting awareness of the OIG Hotline.

Prior OIG Management Advisory on Student Loan Repayment Programs Results in Changes to LSC’s Basic Field Grant Application

During the prior reporting period, we issued to LSC management a management advisory titled, “Enhancing Monitoring of Student Loan Assistance Programs.” The advisory was also posted on the OIG [website](#).

We alerted LSC that the monitoring of student loan assistance programs was an emerging risk and suggested LSC take proactive steps to enhance the monitoring of student loan assistance funds. In response to the OIG’s advisory, LSC announced that they were enhancing their Basic Field grant application to include additional questions and documentation requirements about how grantees use LSC grant dollars to fund student loan assistance programs. These questions included: whether LSC funds are used to support the program, what documentation the grantee requires when employees apply to the program, how the grantee ensures the funds disbursed to applicants are used for their intended purposes, and whether there are any closeout procedures for the program.

Fraud Awareness Briefings

FABs are presented by experienced OIG investigative staff and cover a variety of topics, such as: who commits fraud; what conditions create an environment conducive to fraud; how can fraud be prevented or detected; and what to do if fraud is suspected.

During this reporting period, the OIG provided four FABs during FPR visits to four LSC grantees. A recorded FAB is also posted on the OIG [website](#), allowing interested audiences

to view the recording at their convenience. We encourage all grantee employees to view the recorded FAB; we believe it is a useful tool to help in preventing and detecting fraud.

The OIG also provided a live webinar presentation on fraud awareness and prevention at a conference held by the Management Information Exchange (MIE) during this reporting period. MIE is a nonprofit organization that advances best practices and innovation in the legal aid community. More than 170 people from LSC grantees and other nonprofit or related organizations attended the presentation. We presented a combined OIG FAB and CAB with particular focus on the various schemes that have targeted nonprofit organizations such as LSC grantees and subgrantees. The webinar was recorded and is posted on the [OIG's Fraud Prevention Guides and Presentations website](#).

While employees at LSC-funded programs may generally be aware that fraud and abuse can occur at any organization, they may not be aware of the potential for such incidents occurring within their own programs. FABs highlight the unfortunate truth that a number of LSC-funded programs have been victimized by frauds, including recent cyber fraud attacks, resulting in significant losses.

FABs describe common types of fraud, with particular focus on the various schemes that have been perpetrated against LSC grantees and the conditions that helped facilitate the losses. The briefings aim to foster a dialogue with staff and to provide suggestions for ways to help protect their own programs from fraud and abuse.

Since initiating the FAB program in 2009, we have conducted 185 in-person or remote briefings for grantees and subgrantees in all 50 states, the District of Columbia, and five territories, as well as briefings for the LSC Board of Directors and LSC headquarters personnel, a presentation at a National Legal Aid and Defender Association annual conference, and nine webinars that reached multiple grantees.

Cybercrimes Awareness Briefing

OIG investigative staff also present CABs that focus on the various types of cyberattacks that have targeted LSC and its grantees since 2018, such as ransomware and business email compromise attacks. The briefing also provides grantees with best practices for preventing and detecting similar cyberattacks and suggestions for responding to cyberattacks.

During this reporting period, we provided four CABs during FPR visits at four LSC grantees.

The recorded CAB is also posted on the [OIG’s Cyber Security Resources website](#). The OIG continues to update its Cyber Security Resources webpage with resources produced by the OIG that inform grantees of pending cyber threats.

Fraud Prevention Reviews

During the prior reporting period, the OIG launched a new preventive initiative: FPRs. An FPR is a fiscal and regulatory review of an individual LSC grantee. FPRs are designed to help proactively prevent and detect fraud, waste, abuse, and regulatory violations. FPRs consist of focused document reviews and informational interviews in areas considered high risk or prone to abuse.

During FPRs, the OIG reviews grantee grant applications, policies, practices, internal controls, special grant conditions, and compliance with certain LSC regulations and requirements. The FPR aims to identify internal control risks to help grantees prevent fraud. The FPR focuses on fiscal and regulatory areas where the OIG found potential fraud or misuse of funds in the past, such as credit card transactions, bank account reconciliations, employee reimbursements, office supply expenses, outside practice of law, subgrants, and other selected areas.

Three FPRs were closed during this reporting period.

Fraud Advisories

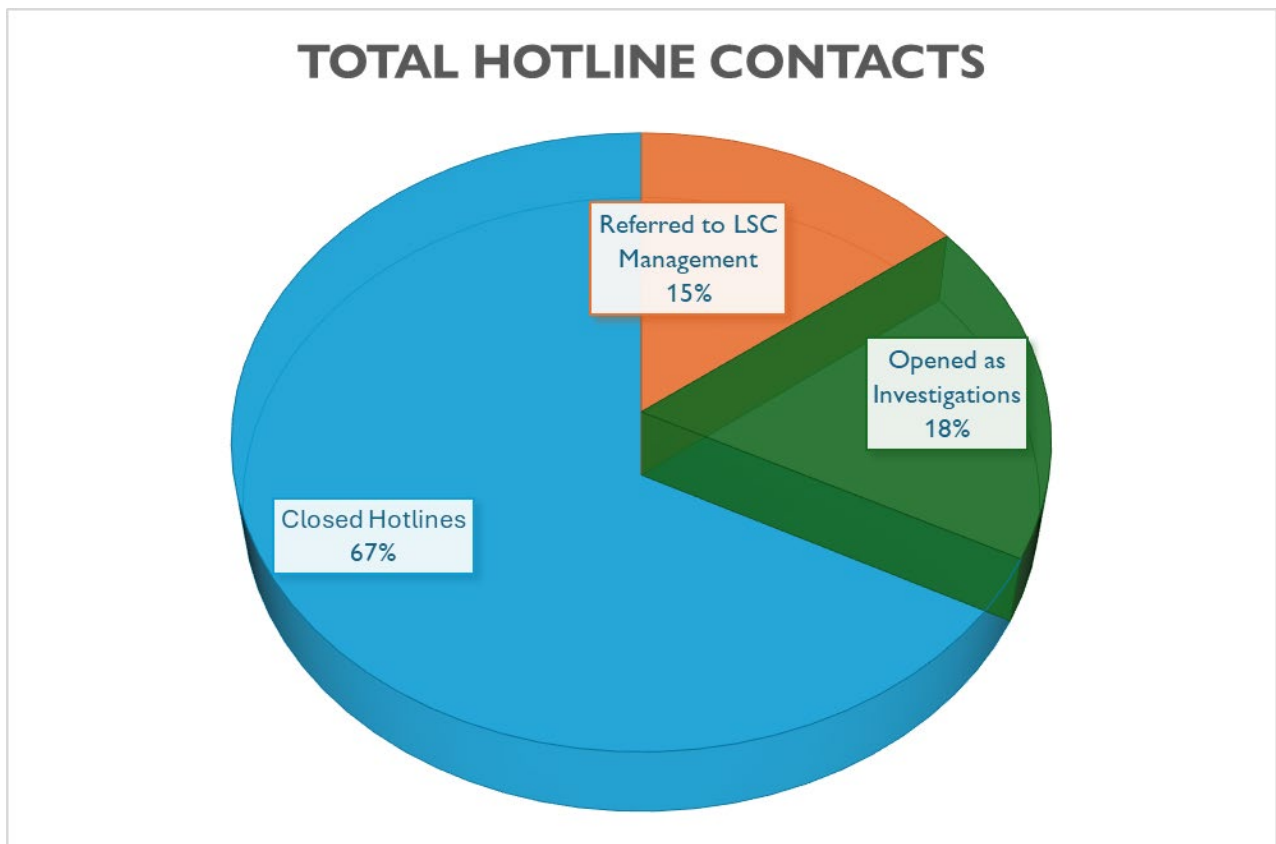
Fraud Advisory Title	Summary
Mitigating the Growing Risk of Cyber Attacks: New Guidance to Help Nonprofits	<ul style="list-style-type: none"> • Notified grantees of new guidance from Cybersecurity & Infrastructure Agency (CISA) on mitigating cyber threats specific to organizations such as legal aid organizations. • Recommended that grantees review the new guidance released by CISA. • Alerted grantees that nonprofit organizations and their employees are targeted by state-sponsored threat actors who conduct extensive

Fraud Advisory Title	Summary
	<p>research about their potential victims to support social and other cyber threats.</p> <ul style="list-style-type: none"> • Provided grantees with guidance from CISA on best practices and mitigations to improve the security of cloud environments.
<p>Check Fraud Schemes Are on the Rise, But Using Positive Pay Can Mitigate Risks</p>	<ul style="list-style-type: none"> • Notified grantees that Positive Pay is an automated cash-management service used by banks to prevent check fraud. • Reminded grantees that in 2012 and 2019, the OIG informed grantees of the benefit of Positive Pay to prevent check fraud. • Informed grantees of a recent increase in the number of check fraud attempts targeting grantees. Those grantees who enabled Positive Pay were able to thwart the suspect's actions, and no funds were stolen. • Recommended grantees should strongly consider using Positive Pay, when it is available and cost-effective, to help prevent the loss of funds.

Hotline

The OIG maintains a Hotline for reporting illegal or improper activities involving LSC or its grantees. Information may be provided online or by telephone, fax, email, or regular mail. Upon request, a person's identity will be kept confidential. Reports may also be made anonymously. The Hotline is a powerful tool for combating fraud, waste, and abuse.

During this reporting period, the OIG received 89 Hotline contacts. Of these matters, we referred 13 to LSC management for follow-up, opened 16 as investigations, and closed the remaining 60.



Total: 89

Click the button below to contact the hotline:

[Report Fraud Waste and Abuse](#)



Statistical Summary⁸



Investigative Cases

30 Open at beginning of the reporting period	20 Opened during the reporting period	18 Closed during the reporting period	32 Open at the end of the reporting period	28 Investigative reports issued
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Prosecutorial Activities	
Persons referred to DOJ for criminal prosecution	0
Persons referred to state or local prosecuting authorities for criminal prosecution	0
Arrests or Criminal Complaints	0
Indictments/Informations	0
Convictions	0

Investigative Activities	
Inspector General subpoenas issued	2

Monetary Results	
Recovery	\$186,014
Referrals to LSC Management for Recovery Consideration	\$1,653,908

⁸ Data reflected in the statistical summary were compiled based on direct counts.

Other OIG Activities

Professional Activities and Assistance

The OIG actively participates in and supports various activities and efforts of the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as well as other inter-agency and professional groups. For example, the IG serves as a member of the CIGIE Budget Committee and the Audit Committee, which focuses on government auditing standards and cross-cutting financial and performance audit issues. The IG also serves on working groups related to Smaller or Unique OIGs and OIGs with Boards or Commissions.

Senior OIG officials are active participants in IG community peer groups in the areas of audits, investigations, inspections and evaluations, public affairs, new media, and legal counsel. The groups provide forums for collaboration and are responsible for such initiatives as developing and issuing professional standards, establishing protocols for, and coordinating peer reviews, providing training programs, and promulgating best practices. The OIG also routinely responds to requests for information or assistance from other IG offices.

Appendix – Peer Reviews

The following information is provided pursuant to the requirements of section 405(a) of the Inspector General Act of 1978, as amended, 5 U.S.C. §405(a)(8)(A) and (B):

The last peer review of the OIG was conducted by the Federal Housing Finance Agency Office of Inspector General. Its report was issued on September 26, 2023. We received a rating of “pass.” Under CIGIE guidelines, this is the highest rating possible.

Table I

Recommendations Made Before This Reporting Period for Which Corrective Action Has Not Been Completed

Report Title	Date Issued	Recommendation Number	Recommendation ⁹	Comments
Central Virginia Legal Aid Society, Inc.	12/23/2019	8	Conduct a detailed review of all payroll processed in 2018 and 2019 to identify payroll over and underpayments and complete this review within six months of the issuance of this report.	The grantee partially responded to this recommendation. LSC management provided a response to the OIG on September 30, 2024. The OIG's review of OCE's response is ongoing.
Central Virginia Legal Aid Society, Inc.	12/23/2019	9	To the extent consistent with the law, reimburse employees that were identified as underpaid and attempt to recover payment from all employees that were identified as overpaid in the above review.	The grantee partially responded to this recommendation. LSC management provided a response to the OIG on September 30, 2024. The OIG's review of OCE's response is ongoing.
Central Virginia Legal Aid Society, Inc.	12/23/2019	16	Ensure that LSC unallowable costs are charged to funding sources other than LSC and reflected within the financial software to provide an audit trail.	The OIG considered the grantee's comments regarding this recommendation as unresponsive. LSC management provided a response to the OIG on September 30, 2024. The OIG's review of OCE's response is ongoing.
Legal Services Vermont	1/11/2021	1	Consult with LSC management to ensure the grantee's engagement with VLA meets the existence of separate personnel criteria stipulated in LSC Regulation 45 CFR 1610.8.	The grantee agreed with this recommendation and the OIG considered the grantee's comments as responsive; however, the OIG referred the recommendation to LSC management for resolution. LSC management conducted a Program Integrity (Part 1610) Review and is working with the grantee to resolve the recommendation. LSC management will notify the OIG upon resolution.

⁹ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Recommendations Made Before This Reporting Period for Which Corrective Action Has Not Been Completed

Report Title	Date Issued	Recommendation Number	Recommendation ¹⁰	Comments
Texas RioGrande Legal Aid, Inc.	11/10/2022	24	Ensure that monthly management reports are reviewed by the Executive Director prior to distribution to the Finance Committee every month and the Board of Directors quarterly. Approvals of each monthly management report should be documented when the monthly management reports are finalized and reviewed by all parties.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Audit of LSC's Distribution, Use, and Oversight of CARES Act Funds	7/26/2022	1	Develop written procedures to maintain documents for Special Purpose, Disaster, or other similar grants. If the documents for requests and approvals of COVID-19 quarterly report extensions can be retrieved, keep them in a central location.	Corrective action in process. LSC management is working to develop and update document retention procedures, which will be included in the Office of Program Performance's (OPP) Policies and Procedures Manual. They revised the target completion date from August 28, 2024 to December 31, 2024.
Audit of LSC's Distribution, Use, and Oversight of CARES Act Funds	7/26/2022	3	Ensure that OPP and Office of Compliance and Enforcement (OCE) Policies and Procedures Manuals are updated and complete, including policies and procedures for the oversight and monitoring of Disaster Program funds, which would include LSC CARES Act Funds.	Corrective action in process. LSC management is working to develop and update the Policies and Procedures Manual for OPP; due to leadership changes in OPP, the revised target completion date is December 31, 2024. LSC completed and distributed the OCE Policies and Procedures Manual on September 23, 2024; those policies will be effective January 1, 2025.

¹⁰ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Recommendations Made Before This Reporting Period for Which Corrective Action Has Not Been Completed

Report Title	Date Issued	Recommendation Number	Recommendation ¹¹	Comments
Audit of LSC's Distribution, Use, and Oversight of CARES Act Funds	7/26/2022	6	Complete revisions and publish the Office of Financial and Administrative Services (OFAS) Accounting Procedures Manual, including bank account verification policies and procedures.	Corrective action in process. LSC management reports that the target completion date for this recommendation is October 31, 2024.
Legal Action of Wisconsin, Inc.	1/11/2024	1	Implement controls to ensure adequately referenced transaction entries are made to the general ledger, and source documents are traceable to the general ledger. Grant codes should be coded in the accounting system and included with supporting documentation.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Action of Wisconsin, Inc.	1/11/2024	2	Ensure all credit card charges are supported with the required documentation, in accordance with Legal Action of Wisconsin's (LAW) policies and procedures.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Action of Wisconsin, Inc.	1/11/2024	3	Enhance credit card policies to require all credit card users to read and sign a credit card user agreement form. The agreement may include repayment terms and conditions for personal use or misuse of the card. The signed agreements should be retained in a central file.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹¹ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹²	Comments
Legal Action of Wisconsin, Inc.	1/11/2024	4	Update LAW's accounting manual to include a policy for card users to obtain approval from the cardholder, documented by date, prior to incurring credit card charges and paying card statement balances.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Action of Wisconsin, Inc.	1/11/2024	7	Implement enhanced processes to reconcile bank accounts monthly, including documentation of the date of preparation and to investigate and correct any out-of-balance conditions.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Action of Wisconsin, Inc.	1/11/2024	10	Implement a process to ensure that only LSC-allowable expenses are allocated to LSC, in accordance with 45 C.F.R. § 1630.5 and 1630.7.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Action of Wisconsin, Inc.	1/11/2024	12	Review LAW's policy regarding client trust receipts and determine if it is still practical given current program resources and enhance processes to consistently issue and retain receipts when receiving client funds.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹² There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹³	Comments
Legal Aid Foundation of Los Angeles	1/11/2024	3	Update the language on the Collective Bargaining Agreement (CBA) so that the guidance is clear as to whether the amount to be reimbursed is the required monthly loan amount not to exceed \$500 per month, as long as the accumulated payments are not higher	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	4	Review Law School Loan Reimbursement (LSLR) transactions from January 1, 2020, through February 28, 2022, including but not limited to obtaining complete Applications, verifying the minimum loan repayment amounts based on Supporting Documentation, and verifying reimbursement amounts paid. Recover, if any, confirmed overpayments to date.	Corrective action in process. The OIG referred this recommendation to LSC management for further review and action.
Legal Aid Foundation of Los Angeles	1/11/2024	5	Implement a new policy to adequately document any deviation from CBA § 7.7.2.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	6	Reconcile the general ledger record with the LSLR tracking spreadsheet to ensure accurate accounting and recording of law school reimbursements.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹³ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹⁴	Comments
Legal Aid Foundation of Los Angeles	1/11/2024	13	Update manuals, including but not limited to the Accounting Manual, Employee Handbook, and CBA to include policies and procedures for cell phone stipends issued to non-management and non-attorney employees.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	16	Work with the Board President to enhance or implement procedures to ensure that the Board President reviews, approves, and adequately documents their approval of the Executive Director's credit card expenditures with a signature and date.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	23	Develop a formal and comprehensive contract procurement process including "needs" requests, approvals, required documents, and documentation of any deviation from the procurement process to be kept on file that is centrally located and readily accessible.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹⁴ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹⁵	Comments
Legal Aid Foundation of Los Angeles	1/11/2024	24	<p>Review the following active contracts to obtain and file the required documentation as follows:</p> <ul style="list-style-type: none"> • Contract for the Architect Design Service. • Documentation of "needs" requests and approvals for all 12 contracts. • Current contracts for three outdated contracts. • Documentation of bids or justification, if the contract was sole-sourced, for the 11 contracts (All contracts, except for the Architect Design Service contract) missing this documentation. • Documentation of final approvals for the 11 contracts (All contracts, except for the Architect Design Service contract) missing this documentation. • Documentation providing justification or rationale for the payments made to the three vendors (Janitorial, Graphic Design, and Landscaping Service contracts) that were inconsistent with contract terms. • Documentation reflecting that payment transactions for two contracts (Wi-Fi/Hot Spot and Staffing service contracts) within the audit scope period were made in accordance with the contract. • Documentation that Wi-Fi/Hot Spot Service contract and invoice are addressed to Legal Aid Foundation of Los Angeles (LAFLA). 	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹⁵ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹⁶	Comments
Legal Aid Foundation of Los Angeles	1/11/2024	25	<p>Update the procurement policies similar to the Procurement Policy Drafting 101: Guidance for LSC Grantees including but not limited to the following:</p> <ul style="list-style-type: none"> • A requirement of certification of best value or price comparison for procurements between \$X to \$X. • A requirement of request for quotes and evaluation sheet for procurements between \$X to \$X. • A requirement of request for proposals, evaluation plan, team, and sheet for procurements greater than \$X. • A requirement for periodically re-competing recurring purchases and long-standing contracts. 	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	26	<p>Update the Micro-Purchases section of the Accounting Manual to clearly state that the employees authorized to incur costs on behalf of LAFLA require approvals prior to purchasing.</p>	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	27	<p>Establish and implement the updated procurement policies per the LSC Program Letter 16-3, Procurement Policy Drafting 101: Guidance for LSC Grantees (attachment), including a requirement for periodically re-competing recurring purchases and long-standing contracts.</p>	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹⁶ There are no qualified potential cost savings associated with these open recommendations.

Table I (continued)

Report Title	Date Issued	Recommendation Number	Recommendation ¹⁷	Comments
Legal Aid Foundation of Los Angeles	1/11/2024	28	Update user access rights to the accounting system so that accounting staff have access based on their roles, responsibilities, and only as needed.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.
Legal Aid Foundation of Los Angeles	1/11/2024	29	Strengthen practices so that bank reconciliations are performed monthly, in accordance with the LSC Accounting Guide, and that those reconciliations are documented.	Corrective action in process. The OIG is working directly with the grantee to close this recommendation.

¹⁷ There are no qualified potential cost savings associated with these open recommendations.

Table II

Audit Reports and Other Reports Issued During Reporting Period

Part A: Audit Reports

Report Title	Date Issued	Questioned Costs	Funds Put to Better Use	Unsupported Costs	Management Decision Made by End of Reporting Period
Northwest Justice Project	7/8/2024	\$43,086	\$0	\$0	N/A
LSC 2023 Fiscal Year Audit of the Corporation	5/15/2024	\$0	\$0	\$0	N/A

Part B: Other Reports

Report Title	Date Issued	Description
LSC OIG Summary Grantee Information Technology Vulnerability Assessment Report (sent to all grantees)	6/3/2024	The report, sent to all grantees, summarized the common vulnerabilities and recommendations from the grantee assessments. The report includes recommendations and best practices to mitigate vulnerabilities and strengthen network security.
IT Vulnerability Assessments	4/10/2024 4/11/2024 4/22/2024 4/23/2024 5/1/2024	Vulnerability assessments of grantees' computer networks conducted by an OIG contractor. The assessments identified potential vulnerabilities and recommended corrective actions.

Table III

Audit Reports Issued During a Prior Reporting Period for Which a Management Decision was Made During the Reporting Period

Report Title	Date Issued	Questioned Costs	Funds Put to Better Use	Unsupported Costs	Comment
N/A	N/A	N/A	N/A	N/A	N/A

Table IV

Audit Reports Issued During Prior Reporting Periods with Unresolved Questioned Costs as of the End of the Reporting Period

Report Title	Date of Issuance	Questioned Costs	Unsupported Costs
Legal Aid Foundation of Los Angeles	1/11/2024	\$217,461	N/A
Legal Action of Wisconsin, Inc.	1/11/2024	\$8,534	N/A

Table V

Index to Reporting Requirements of the Inspector General Act

IG Act Reference*	Reporting Requirement	Page
Section 4(a)(2)	Review of and recommendations regarding legislation and regulations.	None
Section 5(a)(1)	Significant problems, abuses, and deficiencies; recommendations for corrective action.	3-5, 11-14
Section 5(a)(2)	Recommendations made before the reporting period for which corrective action has not been completed.	23-31
Section 5(a)(3)	Significant investigations closed during the period.	10-11
Section 5(a)(4)	Number of convictions during the period resulting from investigations.	20
Section 5(a)(5)	Information on audit and other reports: questioned costs, unsupported costs, funds to be put to better use, and if management decision made.	32
Section 5(a)(6)	Information on management decisions during period re reports issued during prior period.	33
Section 5(a)(7)	Information per FFIMIA §804(b).	None
Section 5(a)(8)-(10)	Information regarding peer reviews.	22
Section 5(a)(11)-(12)	Statistical table showing numbers of investigative reports, persons referred for prosecution, and indictments/information resulting from prior referrals.	20
Section 5(a)(13)	Investigations involving senior employees where allegations of misconduct are substantiated.	None
Section 5(a)(14)	Instances of whistleblower retaliation.	None
Section 5(a)(15)	Attempts by the establishment to interfere with OIG independence.	None
Section 5(a)(16)	Specified matters closed and not disclosed to the public.	None

*Refers to provisions of the Inspector General Act of 1978, as amended.



LSC OIG HOTLINE

PROTECT YOUR PROGRAM AND YOUR CLIENTS

REPORT VIOLATIONS OF LAW AND LSC REGULATIONS



FRAUDULENT ACTIVITY

TRAVEL, PAYROLL, AND CONTRACT FRAUD
TIME AND ATTENDANCE ABUSE
THEFT, BRIBERY, AND KICKBACKS
DIVERSION OF CLIENTS/FEES
CYBER-CRIMES

OTHER VIOLATIONS

IMPROPER USE OF LSC FUNDS
VIOLATIONS OF LSC RESTRICTIONS
CONFLICTS OF INTEREST



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