



Audit of the Office on Violence Against Women
Domestic Violence Homicide Prevention
Demonstration Initiative Phase Two Cooperative
Agreement Awarded to Winnebago County,
Rockford, Illinois



22-067

MARCH 2022



EXECUTIVE SUMMARY

Audit of the Office on Violence Against Women Domestic Violence Homicide Prevention Demonstration Initiative Phase Two Cooperative Agreement Awarded to Winnebago County, Rockford, Illinois

Objectives

The Office on Violence Against Women (OVW) awarded Winnebago County, Illinois, a cooperative agreement totaling \$900,000 for a Domestic Violence Homicide Prevention (DVHP) Demonstration Initiative Phase II project. The objectives of this audit were to determine whether costs claimed under the award were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the award; and to determine whether the grantee demonstrated adequate progress towards achieving program goals and objectives.

Results in Brief

As a result of our audit, we concluded that Winnebago County achieved the project goals and objectives we tested. In addition, this audit did not identify significant concerns regarding Winnebago County's required performance reports, budget management and control, drawdowns, and Federal Financial Report (FFR) submissions. However, we identified an overall lack of grant management policies, a lack of adequate invoice review, and \$21,728 in unused funds, which OVW will need to de-obligate. We also identified \$21,542 in unsupported costs resulting from overbillings by a contractor and insufficient payroll documentation for a Winnebago County employee.

Recommendations

Our report contains four recommendations to OVW. We requested a response to our draft audit report from Winnebago County and OVW, which can be found in Appendices 3 and 4, respectively. Our analysis of those responses is included in Appendix 5.

Audit Results

The purposes of the OVW award we reviewed were to help build the capacity of local jurisdictions to improve identification and services for high-risk victims, while better monitoring high-risk offenders to reduce and prevent domestic violence homicides. The project period for the award was from October 2017 through December 2020. Winnebago County drew down a cumulative amount of \$878,272 for the award we reviewed.

Program Goals and Accomplishments

Based on our review, there were no indications that Winnebago County did not adequately achieve the stated goals and objectives of the award.

Grant Expenditures and Drawdowns

We identified \$1,393 in unsupported personnel and fringe benefit costs because Winnebago County personnel records did not always reflect actual work performed or support a reasonable allocation or distribution of costs among specific activities or cost objectives. In addition, we found \$20,149 in unsupported contractor costs because Winnebago County officials did not verify that its contractors' invoices were completely accurate and reflective of services rendered and, as a result, one contractor's overbilling went unidentified. Moreover, we found that OVW should de-obligate \$21,728 in unspent award funds.

Internal Control Environment

We determined that Winnebago County lacks policies and procedures in several critical areas—specifically payroll, contractor oversight, drawdowns, and submission of FFRs—that are necessary to ensure compliance with federal grant requirements.

Table of Contents

Introduction	1
The Grantee	2
OIG Audit Approach	2
Audit Results	3
Program Performance and Accomplishments	3
Program Goals and Objectives	3
Required Performance Reports.....	3
Grant Financial Management	4
Grant Expenditures	4
Personnel Costs	4
Consultant and Contract Costs.....	6
Budget Management and Control	7
Drawdowns	7
Federal Financial Reports	8
Internal Control Environment.....	8
Conclusion and Recommendations	10
APPENDIX 1: Objectives, Scope, and Methodology	11
Objectives	11
Scope and Methodology.....	11
Internal Controls.....	11
APPENDIX 2: Schedule of Dollar-Related Findings	13
APPENDIX 3: Winnebago County’s Response to the Draft Audit Report	14
APPENDIX 4: Office on Violence Against Women’s Response to the Draft Audit Report	16
APPENDIX 5: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report	18

Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of a Domestic Violence Homicide Prevention (DVHP) Demonstration Initiative Phase II Cooperative Agreement awarded by the Office on Violence Against Women (OVW) to Winnebago County in Rockford, Illinois. Winnebago County received one award totaling \$900,000, as shown in Table 1.¹

Table 1

Audited Winnebago County DVHP Award

Award Number	Award Date	Project Period Start Date	Project Period End Date ^a	Award Amount
2017-HI-AX-K002	09/28/2017	10/01/2017	12/31/2020	\$900,000
Total:				\$900,000

^a This date reflects a no-cost extension granted by OVW; the project's original end date was 9/30/2019.

Source: DOJ Grant Management System

OVW created the DVHP Demonstration Initiative to evaluate the effectiveness of two different domestic violence homicide prevention models: (1) the Lethality Assessment Program (LAP) model, and (2) the Domestic Violence High Risk Team model.² The two-phase plan was for OVW to first assess each of the domestic violence prevention models described above (Phase I) and to then select different sites around the United States to implement the models (Phase II). Additionally, the project required OVW to support the demonstration sites, provide them technical assistance, and then conduct a thorough evaluation of each of the models.

According to OVW, it completed Phase I by conducting an assessment of the Initiative and then began Phase II by selecting four sites, each of which would implement one of the domestic violence homicide prevention models. Winnebago County was one of four sites selected and was chosen to implement the LAP model, which was designed to help build the capacity of local jurisdictions to improve identification and services for high-risk victims, while better monitoring high-risk offenders to reduce and prevent domestic violence homicides.

¹ OVW awards a cooperative agreement when it anticipates being substantially involved with the recipient during performance of the funded activity. We use the terms cooperative agreement, grant, and award interchangeably throughout the report.

² The LAP model was developed by the Maryland Network Against Domestic Violence, a coalition that brings together victim service providers, allied professionals, and concerned individuals for the common purpose of reducing intimate partner and family violence and its harmful effects on citizens. The Domestic Violence High Risk Team model, which was created by the Jeanne Geiger Crisis Center in 2005 after the homicide of one of its clients, is a strategy to prevent domestic violence homicides.

The Grantee

Established in 1834, Winnebago County is located in north-central Illinois and serves a population of more than 280,000 residents. Winnebago County's 17th Judicial Circuit Domestic Violence Coordinated Court (DVCC), which was established in 2012 with a grant from OVW, was responsible for managing the DVHP Demonstration Initiative and the audited award. The primary focus of the DVCC is to enhance survivor safety and increase offender accountability in intimate partner domestic violence cases.

OIG Audit Approach

The objectives of this audit were to determine whether costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; 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.

We tested compliance with what we consider to be the most important conditions of the grant. The DOJ Grants Financial Guide (the Guide) and the award documents contain the primary criteria we applied during the audit.

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

Audit Results

Program Performance and Accomplishments

We reviewed required performance reports, the grant solicitation, and the grant award package, and we interviewed officials to determine whether Winnebago County demonstrated adequate progress towards achieving program goals and objectives. We also reviewed semi-annual progress reports and compared those to supporting documents to determine if the required reports were accurate.

Program Goals and Objectives

In September 2017, OVW awarded the DVHP Demonstration Initiative grant to Winnebago County, which collaborated with several local partners to: (1) identify victims of domestic violence who are at the greatest risk of being killed, and (2) encourage victims to utilize the services of a domestic violence service program. In addition to assisting victims, the award required Winnebago County and its project partners to: (1) work with a local researcher to collect data and manage evaluation activities, (2) assist in collecting instruments from all organizations involved in this project, and (3) compile information from all instruments into a format useable to the evaluation team.

To assess whether Winnebago County had achieved the goals of the cooperative agreement, we selected a judgmental sample of two goals and reviewed documentation supporting their achievement. We first sought to determine if Winnebago County implemented the LAP and tracked outcome measures. We confirmed that Winnebago County implemented the LAP during the grant and continued operating it through the end of the grant. We also confirmed that during this period, Winnebago County domestic violence partners continued to track survivors' data, which was ultimately provided to the research partner for evaluation. Additionally, we conducted testing to determine whether Winnebago County provided local training on the LAP. We confirmed that during the grant period, Winnebago County provided training to 321 professionals from different backgrounds. This training covered danger assessment, language access, cultural responsiveness, and trauma informed response.

Based on our review, there were no indications that Winnebago County did not adequately achieve the stated goals and objectives of the grant.

Required Performance Reports

According to the DOJ Grants Financial Guide, the funding recipient should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the program solicitation. To verify Winnebago County's semi-annual progress report information, we selected a judgmental sample of performance measures from the two most recent reports submitted for the award (periods ending June 30, 2020, and December 31, 2020). We then traced the items to supporting documentation maintained by Winnebago County. Based on our progress report testing, we did not identify any instances where the accomplishments described in the required reports did not match the supporting documentation.

Grant Financial Management

According to the DOJ Grants Financial Guide, all grant recipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. The Guide also states that non-federal entities must maintain written standards of conduct covering conflict of interest and employee participation in the selection, awarding, and administration of contracts. To assess Winnebago County's financial management of the grant covered by this audit, we conducted interviews with financial staff, examined policy and procedures, and inspected grant documents to determine whether Winnebago County adequately safeguarded the grant funds we audited. We also reviewed Winnebago County's Single Audit Reports for fiscal years (FY) 2019 and 2020 to identify reported internal control weaknesses and significant non-compliance issues related to federal awards. The FY 2019 report included a non-DOJ federal award finding related to the lack of review of one reimbursement request. The FY 2020 report indicated that this finding had been corrected and also noted a financial statement finding relating to internal controls and year-end accounting within the County's accounting system. Finally, we performed testing in the areas that were relevant for the management of this grant, as discussed throughout this report.

Based on our review, we concluded that certain grant financial management matters could be improved. Specifically, we identified questioned costs related to personnel expenditures and contractor overbilling. We also noted a lack of required grant management policies and procedures. These findings are discussed in detail in the following sections of the report.

Grant Expenditures

Winnebago County's approved grant budget included personnel, fringe benefits, travel/training, supplies, and consultants/contracts. According to the accounting records provided to us during the audit, Winnebago County expended grant funds totaling \$881,610 during our review period.³ To determine whether costs charged to the award were allowable, supported, and properly allocated in compliance with award requirements, we tested a judgmental sample of transactions. This sample consisted of 45 non-personnel transactions totaling \$370,599, or 41 percent, of the total funds expended as recorded in the accounting records. These non-personnel transactions included expenditures for travel/training, supplies, and consultants/contracts. We also tested payroll expenditures by reviewing a sample of four transactions (totaling \$9,021) to determine if the expenditures were permissible and supported by adequate documentation. Based on our testing, we determined that the transactions reviewed generally were allowable, supported, and properly allocated in compliance with award requirements. However, we identified questioned costs and other concerns regarding expenditures for personnel and consultants/contracts, as described in the following sections.

Personnel Costs

The DOJ Grants Financial Guide states that charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed and comply with the established policies and practices of the organization. The Guide also states that support must reasonably reflect the total activity for which the employee is compensated by the organization and cover both federally

³ Throughout this report, differences in the total amounts are due to rounding.

funded and all other activities. Further, the Guide states that where grant recipients work on multiple grant programs or cost activities, documentation must support a reasonable allocation or distribution of costs among specific activities or cost objectives.

Winnebago County's approved personnel budget for the audited award contained amounts for the salary and fringe benefits of the Lethality Assessment Program (LAP) Coordinator and the Site Coordinator. The LAP Coordinator served as a liaison between the domestic violence assistance providers and local law enforcement and was a full-time grant employee for the majority of the grant period. The Site Coordinator was responsible for ensuring that the LAP and grant award conditions were implemented with fidelity, and while a full-time employee of Winnebago County, half of the Site Coordinator's time was to be dedicated to the OVW-funded project. The table below provides the salary and fringe benefit costs budgeted for both Coordinators for the life of the grant.

Table 2

Budgeted Salary and Fringe Benefits of Grant-Funded Employees

Position	Salary	Fringe Benefits
LAP Coordinator	\$66,362	\$51,506
Site Coordinator	\$42,630	\$22,796
Totals	\$108,992	\$74,302

Source: OVW

We conducted testing to verify that labor and fringe benefit charges were computed correctly, properly authorized, accurately recorded, and properly allocated to the grant. We selected for testing two nonconsecutive pay periods worked by the Site Coordinator, and we found that in line with its approved personnel budget, Winnebago County used award funds to pay for half of the Site Coordinator's salary and benefits during the time period. Each pay period consisted of 80 hours, and for each pay period, Winnebago County used award funds to pay for 40 hours of the Site Coordinator's salary and benefits. However, when we reviewed documentation provided to us to support the hours worked—consisting of employee activity logs—it showed that the Site Coordinator had worked on the OVW award only 19.75 hours in the first pay period tested and 10.55 hours in the second pay period tested. When we asked about this, the Site Coordinator told us that the activity logs do not account for their day-to-day workplace maintenance activities such as non-substantive responses to emails or phone calls. Rather, the activity logs reflect the bigger tasks accomplished during the day.

As previously noted, charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed, comply with the established policies and practices of the organization, and, if employees work on multiple projects or awards, documentation must support a reasonable allocation or distribution of costs among specific activities or cost objectives. However, Winnebago County did not have the needed documentation for the two tested pay periods, and based on our testing and interviews with Winnebago County officials, we believe that the untested payroll transactions may also lack complete and adequate support for the amounts charged to the grant. Overall,

for the two pay periods we tested, we found that Winnebago County charged the grant award for \$1,028 in unsupported salary costs and \$366 in unsupported fringe benefit costs related to the Site Coordinator position. Thus, we recommend that OVW remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.

Additionally, Winnebago County did not have formal policies or procedures related to payroll, which would help to ensure that Winnebago County handled its personnel expenditures in compliance with the criteria governing this area and reduce the risk of questioned costs such as those our audit identified. We therefore recommend that OVW require Winnebago County to develop and implement policies related to payroll, which include the requirement that charges made to federal awards for salaries, wages, and fringe benefits be based on records that accurately reflect the work performed or support a reasonable allocation or distribution of costs among specific activities or cost objectives.

Consultant and Contract Costs

The DOJ Grants Financial Guide requires that grantees have formally documented procurement procedures that are periodically reviewed to ensure compliance with applicable regulations and states that non-federal entities must include in their contracts any applicable provisions found in Appendix II to Part 200 of the Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards. In addition, the Guide requires recipients to ensure that contractors perform in accordance with the terms, conditions, and specifications of their awards, accurately account for funds awarded to them, and keep detailed accounting records and documentation to track all contracts charged to the award. Further, OVW's DVHP Application Guidelines state that recipients will be responsible for overseeing partner spending and monitoring specific performance measures and outcomes attributable to the use of OVW funds.

Winnebago County's approved Consultants/Contracts budget totaled \$711,731, which included personnel and fringe benefits, travel/training, supplies, other costs, and indirect costs for its consultants/contractors. Winnebago County used grant funds to pay nine different contractors during the lifetime of the grant. We selected a sample of two contractors to determine if Winnebago County adhered to federal requirements in dealing with these contractors. We found that Winnebago County did not always include all applicable required provisions in its contracts. Specifically, we found that one of the contracts we reviewed did not include three of six applicable required contract provisions (Rights to Inventions Made Under a Contract or Agreement, Clean Air Act, and Debarment and Suspension).

In addition, we identified issues with Winnebago County's review of contractor invoices. According to Winnebago County officials, employees reviewing and paying contractor invoices have access to an accounts payable evaluation tool that can be used to assist them in their activities. However, when we asked Winnebago County officials if they had a formal policy governing these activities, they told us they did not have one. In addition, we found that Winnebago County did not have established policies or procedures for overall contractor oversight, including an adequate process for verifying that contractor invoices were accurate and reflective of services rendered. Winnebago County officials told us that, in practice, contractors provided an invoice monthly, but only some contractors included additional supporting documentation that was reflective of the actual service provided. When we requested evidence to support the transactions in our sample of grant-related contractor expenses, we found instances where Winnebago

County's documentation was incomplete. In these cases, Winnebago County had to go back to its partners to request additional documents so that we could complete our testing of the costs.

Additionally, during our audit, one of Winnebago County's contractors informed the county of billing errors it made that resulted in Winnebago County overpaying the contractor \$20,149. The contractor official told Winnebago County that this error occurred because, over a period of several months, they charged Winnebago County for two of their employees who were no longer performing grant-related work. The contractor official stated that they discovered this error while reviewing their effort reporting documents. Upon discovery, the contract official reported it to Winnebago County officials and returned the \$20,149 to Winnebago County. When we discussed this overpayment with Winnebago County officials, they told us that had the contractor not informed them of the billing errors, they would not have known about them.

Because the grant had already concluded when the contractor returned these funds, Winnebago County contacted OVW and requested guidance on what to do with the \$20,149, but it had not received a response as of February 2022. Because these funds, which were still in the possession of Winnebago County, do not represent legitimate grant-related expenditures, we consider them to be unsupported costs. We therefore recommend that OVW remedy the \$20,149 in unsupported questioned costs.

Additionally, Winnebago County does not have policies or procedures covering contractor oversight. We believe the overpayments occurred because Winnebago County did not verify that the invoices it received from the contractor were completely accurate and reflective of services rendered, and we are concerned that this weakness could lead to additional errors in the future. We therefore recommend that OVW require Winnebago County to develop and implement a policy for contractor oversight and reviewing contractor invoices to ensure they are accurate and reflective of services rendered.

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 grant recipient must initiate a Grant Adjustment Notice for a budget modification that reallocates funds among budget categories if the proposed cumulative change is greater than 10 percent of the total award amount.

We compared expenditures to the approved budgets to determine whether Winnebago County transferred funds among budget categories and if these transfers exceeded the 10-percent threshold. We determined that the cumulative difference between category expenditures and approved budget category totals was not greater than 10 percent.

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 in excess of federal expenditures, unused funds must be returned to the awarding agency. To assess whether Winnebago County managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures recorded in the

accounting system. As of April 2021, Winnebago County had made eight drawdowns totaling \$878,272, leaving \$21,728 of the \$900,000 total award unspent. Because the grant period has ended, we recommend that OVW de-obligate the \$21,728 in unused funds.

In addition, the DOJ Grants Financial Guide requires grant recipients to develop written procedures for cash management to ensure that federal cash on hand is kept at or near zero. We determined that Winnebago County did not have written policies and procedures for preparing drawdown requests. Establishment of such policies and procedures would bring Winnebago County into compliance with the aforementioned requirement, improve grant management practices, and serve as a reference guide for staff. We recommend that OVW ensure that Winnebago County develops and implements written policies and procedures for preparing and submitting drawdown requests.

Federal Financial Reports

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. To determine whether Winnebago County submitted accurate FFRs, we compared the six most recent reports to the accounting records. We determined that quarterly and cumulative expenditures for the reports reviewed generally matched the accounting records. However, as discussed in the Consultant and Contract Costs portion of the report, a contractor repaid Winnebago County \$20,149 to correct overpayments made by Winnebago County due to billing errors made by the contractor. Per Winnebago County's accounting records, this error was repaid on September 30, 2021, after the final FFR was submitted. In January 2022, Winnebago County officials informed us that based on instruction from OVW, they submitted an amended FFR to reflect the overbilling repayment. The officials also advised us that OVW told them it would provide further instruction on how to return the funds, but that Winnebago County has not yet received that information.

Additionally, we reviewed Winnebago County's Finance Manual and found that it does not contain information regarding the preparation of FFRs. Consequently, we recommend that OVW ensures Winnebago County develops and implements policies and procedures for preparing and submitting FFRs and that clearly define the roles and responsibilities for its staff to ensure the reports are accurate and submitted in a timely manner.

Internal Control Environment

The Uniform Guidance (2 C.F.R. § 200.303) states that a non-federal entity is responsible for establishing and maintaining effective internal controls that provide reasonable assurance that the non-federal entity is managing funds in compliance with federal statutes, regulations, and the terms and conditions of the award. Further, these internal controls should be in compliance with guidance outlined in the "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

According to the standards established by the Comptroller General, management is responsible for ensuring that internal controls individually and in combination with other controls are capable of achieving

stated objectives and addressing related risks, such as fraud, waste, and abuse. As noted throughout the report, Winnebago County lacks policies and procedures in several critical areas, specifically payroll, contractor oversight, drawdowns, and submission of FFRs, and we believe these internal control weaknesses helped lead to the deficiencies noted in this report. We therefore recommend that OVW require Winnebago County to develop and establish written policies and procedures for payroll, contractor oversight, drawdowns, and FFRs.⁴

⁴ Although previous sections of this report identified separate recommendations related to the need to establish specific new policies and procedures, each of the recommendations relates to grant financial management. Therefore, in the Recommendations section of this report, we use this overall recommendation addressing the various areas in need of policy development.

Conclusion and Recommendations

As a result of our audit, we concluded that Winnebago County achieved the program goals and objectives we tested. However, we found that Winnebago County did not adhere to all of the grant award requirements we reviewed. Specifically, we identified a total of \$21,542 in unsupported payroll and contract costs and concluded that Winnebago County lacked formal policies and procedures related to matters of grant financial management (payroll, contractor oversight, drawdowns, federal financial reporting and accounts payable). We provide four recommendations to Winnebago County to address these deficiencies.

We recommend that OVW:

1. Remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.
2. Remedy the \$20,149 in unsupported costs resulting from contractor overbillings.
3. De-obligate the \$21,728 in remaining unused grant funds.
4. Ensure Winnebago County develops and implements formal written policies and procedures for payroll, contractor oversight, drawdown requests, and FFRs.

APPENDIX 1: Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to determine whether costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; 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) Domestic Violence Homicide Prevention (DVHP) Demonstration Initiative Phase II cooperative agreement—award number 2017-HI-AX-K002 totaling \$900,000—to Winnebago County, Illinois. As of April 15, 2021, Winnebago County had drawn down \$878,272. Our audit concentrated on, but was not limited to October 1, 2017, the award date, through December 31, 2020, the scheduled project end date. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner.

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

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

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of Winnebago County to provide assurance on its internal control structure as a whole. Winnebago County management is responsible for the establishment and maintenance of internal controls in accordance with the DOJ Grants Financial Guide; Part 200 of the Uniform

Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards; and OVV's DVHP Application Guidelines. Because we do not express an opinion on Winnebago County's internal control structure as a whole, we offer this statement solely for the information and use of the Winnebago County and OVV.⁵

In planning and performing our audit, we identified the following internal control components and underlying internal control principles as significant to the audit objective:

Internal Control Components & Principles Significant to the Audit Objectives	
Control Activity Principles	
	Management should design control activities to achieve objectives and respond to risks.
	Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
	Management should implement control activities through policies.
Information & Communication Principles	
	Management should use quality information to achieve the entity's objectives.
	Management should externally communicate the necessary quality information to achieve the entity's objectives.

The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

⁵ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: Schedule of Dollar-Related Findings

Description	Amount	Page
Questioned Costs:⁶		
Unsupported Personnel Costs	\$1,393	6
Unsupported Contractor Personnel Costs	<u>\$20,149</u>	7
Total Questioned Costs:	\$21,542	
Funds to be Put to Better Use:⁷		
Unspent Grant Funds	<u>\$21,728</u>	8
Total Funds to be Put to Better Use:	\$21,728	
TOTAL DOLLAR-RELATED FINDINGS	<u>\$43,270</u>	

⁶ **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

⁷ **Funds to be Put to Better Use** are future funds that could be used more efficiently if management took actions to implement and complete audit recommendations.

APPENDIX 3: Winnebago County's Response to the Draft Audit Report



WINNEBAGO COUNTY — ILLINOIS —

March 8, 2022

Carol S. Taraszka
Regional Audit Manager
Chicago Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
500 West Madison Street, Suite 1121
Chicago, Illinois 60661

Audit of the Office on Violence Against Women Domestic Violence Homicide Prevention Demonstration Initiative Phase Two Cooperative Agreement

Dear Ms. Taraszka,

Please accept this document as Winnebago County's response to the recommendations set forth in the draft report of the Audit of the Office on Violence Against Women Domestic Violence Homicide Prevention Demonstration Initiative Phase Two Cooperative Agreement Awarded to Winnebago County, Rockford, Illinois.

We take solace in and highlight the conclusion that Winnebago County achieved stated project goals and objectives. Further, that the audit "did not identify significant concerns regarding Winnebago County's required performance reports, budget management and control, drawdowns, and Federal Financial Report submission." Local law enforcement agencies continue to use the Lethality Assessment Program implemented under this award. We are proud of the work performed under this award and the lasting benefits that continue to be realized by our community.

The four draft report recommendations and our responses are as follows:

- 1. Remedy that the \$1,393.00 in unsupported costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.**

Winnebago County Response: Disagree. The Site Coordinator completed activity logs throughout the entirety of the award as directed by OVW and provided all logs and timesheets as requested. Activities outlined on activity logs provided an outline of substantive tasks completed in relation to the grant award and did not include standard work day activities such as standard emails, project partner follow up, and general workplace activities and tasks. In

addition, logs may not have reflected time off due to vacation or holiday time. Due to this, time reflected on logs did not equal an exact 20 hours per pay period allocated to this grant program. The audit report indicates Winnebago County achieved all program goals and objectives under this grant which suggests the Site Coordinator met and/or exceeded the required financial and programmatic duties under this grant award. Winnebago County believes the regular completion of activity logs combined with the OIG assessment that all grant program goals and objectives were met demonstrates that costs associated with the Site Coordinator's salary and fringe were supported.

2. Remedy the \$20,149.00 in unsupported costs from contractor overbillings.

Winnebago County response: Agree. On January 20, 2022 an amended Final Federal Financial Report was submitted to the Grants Financial Management Division (GMFD) at the Office on Violence Against Women (OVW). On the same date, Winnebago County was told by a representative from GMFD that additional instruction on how to return the overpaid funds to OVW would be provided. As of the writing of this response, Winnebago County has not received any further instruction from GMFD or OVW regarding how to return funds.

3. De-obligate the \$21,728 in remaining unused grant funds

Winnebago County response: Agree. Deobligation of unused grant funds is the responsibility of OVW. Winnebago County has complied with all grant closeout requirements and does not have control over the deobligation of funds.

4. Ensure Winnebago County develops and implements formal written policies and procedures for payroll, contractor oversight, drawdown requests, and FFRs.

Winnebago County response: Agree. Winnebago County has been in the process of implementing formal written policies and procedures for grant and subaward management to include payroll, contractor oversight, drawdown requests, and FFRs. In compliance with 2 CFR Part 200, templates have been developed to monitor payroll and reimbursement. Procedures include using a single chart to monitor expenditures that balance to FFR's prior to drawdown. Standardized subrecipient monitoring procedures consists of, but are not limited to, risk assessments and audits. Policy also includes ensuring all requirements imposed on Winnebago County are passed-down to subrecipient agreements.

Sincerely,



Chairman Joseph V. Chiarelli

Winnebago County Board

APPENDIX 4: Office on Violence Against Women's Response to the Draft Audit Report



U.S. Department of Justice
Office on Violence Against
Women Washington, DC, 20530

March 22, 2022

MEMORANDUM

TO: Carol S. Taraszka
Regional Audit Manager

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

Erin Lorah *EL*
Acting Deputy 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 Winnebago County, Rockford, Illinois

This memorandum is in response to your correspondence dated February 16, 2022, transmitting the above draft audit report for Winnebago County, Rockford, Illinois. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains four recommendations with \$21,542 in net questioned costs and \$21,728 in funds to be put to better use. 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. Remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.**

Concur: OVW will coordinate with Winnebago County to remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that

MEMORANDUM

SUBJECT: Draft Audit Report – Audit of the Office on Violence Against Women Grants Awarded to Winnebago County.

the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.

2. Remedy the \$20,149 in unsupported costs resulting from contractor overbillings.

Concur: OVW will coordinate with Winnebago County to remedy the \$20,149 in unsupported costs resulting from contractor overbillings.

3. De-Obligated the remaining \$21,728 in unused grant funds.

Concur: OVW will coordinate with Winnebago County to de-obligate the remaining \$21,728 in unused grant funds.

4. Ensure Winnebago County develops and implements formal written policies and procedures for payroll, contractor oversight, drawdown request, and FFRs.

Concur: OVW will coordinate with Winnebago County to ensure that they develop and implement formal written policies and procedures for payroll, contractor oversight, drawdown request, and FFRs.

We appreciate the opportunity to review and comment on the draft report. If you have any questions or require additional information, please contact Rodney Samuels at (202) 514-9820.

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

Carrie Mitchell
Program Specialist
Office on Violence Against Women

Thelma Bailey
Program Assistant
Office on Violence Against Women

APPENDIX 5: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The OIG provided a draft of this audit report to the Office on Violence Against Women (OVW) and Winnebago County. OVW's response is incorporated in Appendix 4 and Winnebago County's response is incorporated in Appendix 3 and OVW's response is incorporated in Appendix 4 of this final report. In response to our draft audit report, OVW concurred with our recommendations, and as a result, the status of the audit report is resolved. Winnebago County agreed with three recommendations and disagreed with one recommendation. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for OVW:

- 1. Remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.**

Resolved. OVW concurred with our recommendation and stated in its response that it will coordinate with Winnebago County to remedy the \$1,393 in unsupported personnel costs and require Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.

Winnebago County disagreed with our recommendation and stated in its response that the Site Coordinator completed activity logs throughout the entirety of the award as directed by OVW and provided all logs and timesheets as requested. Winnebago County also stated that activities outlined on the activity logs provided an outline of substantive tasks completed in relation to the grant award and did not include standard workday activities such as emails, project partner follow-up, and general workplace activities and tasks. In addition, Winnebago County stated that the logs may not have reflected time off due to vacation or holiday time and, as a result of this, time reflected on logs did not equal an exact 20 hours per pay period allocated to this grant program. The response further stated that the audit report indicates Winnebago County achieved all program goals and objectives under this grant, which suggests the Site Coordinator met and/or exceeded the required financial and programmatic duties under this grant award. Moreover, Winnebago County stated that it believes the regular completion of activity logs combined with the OIG assessment that all grant program goals and objectives were met demonstrates that costs associated with the Site Coordinator's salary and fringe were supported.

As noted in our report, the DOJ Grants Financial Guide states that charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed and comply with the established policies and practices of the organization. Moreover, the DOJ Grants Financial Guide and the Uniform Guidance (2 C.F.R. § 200.430) state that charges must be supported by a system of internal controls that provides reasonable assurance that the

charges are accurate, allowable, and properly allocated. Winnebago County's response to our recommendation about personnel costs—as well as its similar statements during our audit and as noted in our audit report—does not reflect compliance with these requirements.

This recommendation can be closed when we receive evidence that OVW has remedied the \$1,393 in unsupported personnel costs and has required Winnebago County to provide documentation to support that the remaining salary and fringe benefits charged to the grant for the Site Coordinator position were fully supported and allowable under the terms and conditions of the award.

2. Remedy the \$20,149 in unsupported costs resulting from contractor overbillings.

Resolved. OVW concurred with our recommendation and stated in its response that it will coordinate with Winnebago County to remedy the \$20,149 in unsupported costs resulting from contractor overbillings. As a result, this recommendation is resolved.

Winnebago County agreed with our recommendation and stated in its response that on January 20, 2022, an amended final Federal Financial Report was submitted to the Grants Financial Management Division (GFMD) at OVW. The response also states that on the same date Winnebago County was told by a representative from GFMD that additional instruction on how to return the overpaid funds would be provided; as of the date of its response to the draft report, Winnebago County was still awaiting those instructions.

This recommendation can be closed when we receive evidence that OVW has remedied the \$20,149 in unsupported costs resulting from contractor overbillings.

3. De-obligate the \$21,728 in remaining unused grant funds.

Resolved. OVW concurred with our recommendation and stated in its response that it will coordinate with Winnebago County to remedy the \$21,728 in remaining unused grant funds. As a result, this recommendation is resolved.

Winnebago County agreed with our recommendation and noted that it has complied with all grant closeout requirements and does not have control over the de-obligation of funds.

This recommendation can be closed when we receive evidence that OVW has de-obligated the \$21,728 in remaining unused grant funds.

4. Ensure Winnebago County develops and implements formal written policies and procedures for payroll, contractor oversight, drawdown requests, and FFRs.

Resolved. OVW concurred with our recommendation and stated in its response that it will ensure Winnebago County develops and implements formal written policies and procedures for payroll, contractor oversight, drawdown requests, and FFRs. As a result, this recommendation is resolved.

Winnebago County agreed with our recommendation and stated in its response that it has been in the process of implementing formal written policies and procedures for grant and subaward management to include payroll, contractor oversight, drawdown requests, and FFRs.

This recommendation can be closed when we receive evidence that Winnebago County has developed and implemented formal written policies and procedures for payroll, contractor oversight, drawdown requests, and FFRs.