



Audit of the Office of Justice Programs Victim  
Assistance Funds Subawarded by the Minnesota  
Department of Public Safety Office of Justice  
Programs to Women of Nations, Incorporated,  
Saint Paul, Minnesota



AUDIT DIVISION

23-111

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**SEPTEMBER 2023**

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# EXECUTIVE SUMMARY

## **Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Minnesota Department of Public Safety Office of Justice Programs to Women of Nations, Incorporated, Saint Paul, Minnesota**

### **Background**

The U.S. Department of Justice (DOJ) Office of Justice Programs (OJP) provided funds to the Minnesota Department of Public Safety Office of Justice Programs (Minnesota OJP) to make subawards to support victim assistance programs in the state of Minnesota. Minnesota OJP awarded \$1,359,841 in crime victim assistance funds to Women of Nations, Incorporated (WON), to be used between October 2021 and September 2023 as part of an existing subaward. The purpose of WON's subaward was to support its mission to provide culturally specific emergency shelter services and support to all who have experienced trauma and domestic, sexual, and dating violence, and empower Native American communities to put an end to all forms of violence through education and prevention. As of March 31, 2023, Minnesota OJP had reimbursed WON for a cumulative amount of \$885,832 for the subawarded funds we reviewed.

### **Audit Objective**

The objective of this DOJ Office of the Inspector General audit was to review how WON used Victims of Crime Act (VOCA) funds to assist crime victims and assess whether it accounted for these funds in compliance with select award requirements, terms, and conditions.

### **Summary of Audit Results**

We concluded that WON adhered to its subaward goal of providing emergency shelter services to victims of crime. However, we found that WON could improve certain areas of its subaward management, particularly its financial procedures. We also found that WON was reimbursed for services that were not approved in the subaward agreement and did not have proper supporting documentation for personnel expenses.

#### **Program Performance Accomplishments**

The audit concluded WON assisted clients with various emergency shelter services. However, we found that WON lacked policies related to federally required quarterly reporting. We also identified instances of WON releasing victims' personal information without disclosing this release to victims. Finally, we found that an individual paid with subaward funds performed duties that were outside the purpose of the subaward, which resulted in unallowable questioned costs totaling \$38,820.

#### **Financial Management**

We identified concerns related to properly accounting for federal awards in the official accounting system, the timesheet approval process, and reimbursement for expenditures that occurred outside of the project period. In total, we questioned \$194,187 in unsupported personnel expenditures.

#### **Recommendations**

Our report contains seven recommendations to DOJ OJP and the Minnesota OJP to assist WON in improving its subaward management and administration. We provided our draft audit report to WON, Minnesota OJP, and DOJ OJP officials, and their responses can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses can be found in Appendix 6.

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## Introduction

The Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of victim assistance funds received by Women of Nations, Incorporated (WON), which is located in Saint Paul, Minnesota. DOJ's Office of Justice Programs (DOJ OJP) Office for Victims of Crime (OVC) provided this funding to the Minnesota Department of Public Safety Office of Justice Programs (Minnesota OJP), which serves as the state administering agency (SAA) for Minnesota and makes subawards to direct service providers. As a direct service provider, WON received \$1,359,841 to be used between October 1, 2021, and September 30, 2023, as part of an existing subaward.<sup>1</sup> These funds originated from the Minnesota OJP's federal grants, as shown in Table 1.

**Table 1**

**Audited Subaward to Women of Nations, Incorporated, from the Minnesota Office of Justice Programs**

Minnesota OJP Subaward Identifier	DOJ OJP Prime Award Numbers	Project Start Date	Project End Date	Subaward Amount
A-CVS-2022-WON-0009	2019-V2-GX-0033	10/01/2021	09/30/2023	\$169,394
	2020-V2-GX-0018			\$558,008
	15POVC-21-GG-00579-ASSI			\$325,422
	15POVC-22-GG-00764-ASSI			\$307,017
<b>Total:</b>				<b>\$1,359,841</b>

Source: Minnesota OJP

Established by the Victims of Crime Act (VOCA) of 1984, the Crime Victims Fund (CVF) is used to support crime victims through DOJ programs and state and local victim assistance and compensation initiatives.<sup>2</sup> According to DOJ OJP's program guidelines, victim assistance services eligible to receive VOCA support must: (1) respond to the emotional and physical needs of crime victims, (2) assist victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, and (4) provide victims of crime with a measure of safety and security. Thus, direct service providers receiving VOCA victim assistance subawards may provide a variety of support to victims of crime, to include offering help filing restraining orders, counseling in crises arising from the occurrence of crime, crisis intervention, and emergency shelter.

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<sup>1</sup> The Minnesota OJP awarded WON a subaward during its competitive application process in 2017. Our audit focused on a non-competitive renewal subaward starting October 1, 2021.

<sup>2</sup> The VOCA Victim Assistance Formula Grant Program is funded under 34 U.S.C. § 20101. Federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments support the CVF. The total amount of funds that the OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress.

## Women of Nations, Incorporated

WON is a 501(c)(3) nonprofit agency whose mission is, according to its subaward application, to provide culturally specific emergency services and support to all who have experienced trauma and domestic, sexual, and dating violence, and empower Native American communities to put an end to all forms of violence through education and prevention. WON was founded in 1982 to provide community-based advocacy and assistance for battered women, and in 1991, it opened an emergency shelter for women and children fleeing domestic abuse. While WON primarily serves the local Native American population, it offers its services to individuals from all backgrounds. To provide direct services to victims of crime, WON receives federal VOCA awards, as well as funding from various Minnesota state agencies, private organizations, and individual donations. According to the Minnesota OJP, WON has been a subrecipient of VOCA funding for at least 20 years.

## OIG Audit Approach

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

To gain a further understanding of victim assistance subaward oversight, as well as to evaluate subrecipient performance and administration of VOCA-funded programs, we solicited feedback from Minnesota OJP officials regarding WON's record of delivering crime victim services and compliance with Minnesota OJP award requirements.<sup>3</sup>

We tested compliance with what we considered to be the most important conditions of the subaward. The DOJ Grants Financial Guide; VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); Minnesota OJP guidance; and the OVC and the Minnesota OJP award documents contain the primary criteria we applied during this audit.

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

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<sup>3</sup> As an SAA, the Minnesota OJP is responsible for ensuring that WON's subaward is used for authorized purposes and in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. As such, we considered the results of our audit of victim assistance grants awarded to the Minnesota OJP in performing this separate review. See [U.S. Department of Justice Office of the Inspector General, Audit of the Office of Justice Programs Victim Assistance and Victim Compensation Formula Grants Awarded to the Minnesota Department of Public Safety Office of Justice Programs, Saint Paul, Minnesota](https://oig.justice.gov/reports/2017/g5017003.pdf), Audit Report GR-50-17-002 (August 2017), [oig.justice.gov/reports/2017/g5017003.pdf](https://oig.justice.gov/reports/2017/g5017003.pdf)

# Audit Results

## Program Performance and Accomplishments

As established by the VOCA legislation, VOCA subawards are available to subrecipients for the purpose of providing direct services to victims. According to WON's subaward application, WON received the subaward to support its mission, which is to provide culturally specific emergency services and support to all who have experienced trauma and domestic, sexual, and dating violence, and empower Native American communities to put an end to all forms of violence through education and prevention. We obtained an understanding of WON's standard operating procedures in relation to the subaward activities. We also compared the subaward solicitation, application, and subaward agreement against available evidence of accomplishments to determine whether WON demonstrated adequate progress towards providing the services for which it was funded. Overall, we concluded that WON adhered to its subaward goal by providing emergency shelter services to victims of crime. However, we found that WON lacked programmatic policies and procedures in key areas.

## Program Implementation

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

To obtain an understanding of its operating procedures, including internal controls, in relation to the audited victim services, we reviewed WON's written policies and procedures that govern the VOCA-funded program. We also interviewed WON's Business Manager, Cultural/Program Director, and multiple staff members who provide direct victim services. These individuals informed us of their program operational procedures, which include counseling and emergency shelter services. Based upon the interviews conducted, as well as the policies and procedures reviewed, we concluded that WON had adequate internal controls in place to appropriately deliver services to victims of domestic abuse.

As a subrecipient of VOCA funds, WON is required to file quarterly programmatic reports in the Performance Measurement Tool (PMT) system that provides the OVC detailed information on victims served, such as the number of victims served, types of abuse encountered, and services provided. We asked WON for written policies related to the completion and validation of these reports. In response, a WON official summarized the PMT reporting process, which involves a single person who prepares the performance reports, but the official was unable to provide a written policy for the completion and validation of PMT reports. We informed the official that to ensure the information provided within these reports is accurate and consistent, as well as the continuity of completing the performance reports when there is a possibility of staff turnover, WON should have a formalized policy outlining the quarterly reporting process. In response and prior to the conclusion of our audit, WON developed a policy on its PMT reporting procedures and provided evidence that this policy was distributed to other members of WON management. We reviewed this policy and found that it addresses our concerns. Therefore, we do not make a recommendation in this area.

## Program Services

According to information within WON's subaward application, WON used VOCA funding to employ trauma support staff, a Medical Professional, a Mental Health Professional, and a Community Advocacy Program (CAP)/Outreach Supervisor, all of whom provide their respective services to victims at the shelter. Through our interviews with WON staff members, observation of services provided at the facilities, and verification of case files, we found that WON provided emergency shelter services and counseling services to victims of crime. However, we identified concerns related to the allowability of certain work paid for with VOCA funds and WON's protection of sensitive crime victim information.

According to the VOCA Guidelines, VOCA funding is intended to provide direct services to victims of crime. WON's subaward application stated that the CAP/Outreach Supervisor would help women and children experiencing domestic abuse and sexual assault transition to safety and self-sufficiency. The CAP/Outreach Supervisor stated that around December 2021, they stopped performing the responsibilities as described in documentation provided with WON's subaward application and instead worked primarily with offenders at correctional facilities who committed crimes related to domestic abuse, sexual assault, and human trafficking. According to this individual, their time spent at correctional facilities was intended to help ensure offenders do not commit the same types of crime in the future, while acknowledging that some of the offenders may also be victims of past crimes. We found that WON charged the subaward for the CAP/Outreach Supervisor's time spent performing these duties while at correctional facilities.

We asked Minnesota OJP officials if they were aware of changes in this official's duties, and they stated that WON had not had any conversations with the Minnesota OJP Grant Manager about the changes. We also confirmed that WON did not notify the Minnesota OJP about the change in the CAP/Outreach Supervisor's role, which deviated from the original approved budget. Due to the difference in the nature of the work performed and the unapproved change in its scope, we find the CAP/Outreach Supervisor's \$38,820 in salary and fringe benefit costs charged to the subaward for work conducted after December 2021 to be unallowable. Therefore, we recommend that DOJ OJP and the Minnesota OJP remedy the \$38,820 in unallowable expenditures related to the CAP/Outreach Supervisor's personnel costs.

Additionally, the VOCA Guidelines require subrecipients to reasonably protect the confidentiality and privacy of persons receiving services and that victims be notified that their information may be disclosed. WON used taxi and rideshare services to transport victims between the shelter and service providers. While this is an acceptable use of VOCA funds, we found that the invoices and receipts identified victims' first names, last names, and phone numbers. We found that WON's notification of release of information did not include disclosing such information for these purposes. We brought this to the attention of a WON official who recognized our concern and subsequently provided evidence that WON started anonymizing victim names when using rideshare services. WON also provided evidence that it instituted a policy in June 2023 to prevent the submission of sensitive and confidential information to taxi and rideshare services. We reviewed the evidence and policy and concluded that it addresses our concern. Therefore, we do not make a recommendation in this area.

## Financial Management

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for awarded funds.

We interviewed WON's Business Manager, examined policies and procedures, reviewed award documents, and performed expenditure testing to determine whether WON adequately accounted for the subaward funds we audited. Overall, we determined that WON established internal controls to manage subaward finances. However, we identified concerns related to properly accounting for federal subawards, personnel costs, timesheet approvals, and expenditures outside the subaward period. Additionally, we reviewed the most recent single audit report and found that the Minnesota OJP did not address identified deficiencies as required.

## **Fiscal Policies and Procedures**

To test fiscal policies and procedures, we reviewed WON's policies related to subaward fiscal oversight, spoke with the Business Manager, and verified the execution of activities in accordance with the financial procedures. We found that WON's policies, procedures, and systems allow it to request reimbursement for funds and document expenditures. However, we also found that the accounting system did not properly separate federal and state crime victim funding.

As stated previously, WON receives funding to assist victims of crime from federal VOCA funds subawarded by the Minnesota OJP, as well as from state funds also subawarded by the Minnesota OJP. We found that within its accounting system, WON did not separately track expenditures charged to these two sources. According to the Uniform Guidance and the DOJ Grants Financial Guide, the accounting system must track funds received, obligated, and expended under each award. To charge each funding source, WON manually separated the funds in an electronic spreadsheet when requesting reimbursement from the Minnesota OJP. We were unable to reconcile the transactions from the official accounting records to the total amounts charged to the subaward on the electronic spreadsheet. We believe that not identifying the source of these funds within its accounting system is a lack of a key internal control, as not doing so could lead to incorrectly charging expenses due to human error and inaccurate federal spending figures reported during a single audit. A WON official provided us with evidence that WON updated its accounting system to include the ability to track separately expenditures by federal and state funding sources, but WON still did not properly identify the correct source of funds for expenditures associated with the audited subaward (i.e., 2020-V2-GX-0018 versus 15POVC-21-GG-00579-ASSI). Therefore, we recommend that DOJ OJP and the Minnesota OJP ensure that WON maintains an adequate accounting process that separately and accurately tracks all federal financial assistance.

## **Subaward Expenditures and Matching Costs**

Subrecipients request payment monthly or quarterly from the Minnesota OJP through an electronic grants management system. For the subaward we audited, WON's approved budget primarily included personnel expenditures (about 98 percent of the total subaward) but also included a small amount for direct client assistance expenses, such as moving costs, lodging, and personal hygiene products. As of March 2023, we found that the Minnesota OJP reimbursed WON a total of \$885,832 in VOCA victim assistance funds for costs associated with the audited subaward.<sup>4</sup> We selected a judgmental sample of personnel and non-personnel expenditures charged to the subaward to determine whether they were accurate, allowable, supported, and in accordance with VOCA program requirements. Based upon our testing, we identified

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<sup>4</sup> Following guidance from the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, the Minnesota OJP allowed its subrecipients to waive the requirement to provide matching funds from non-federal sources. Therefore, we did not perform testing in this area except for verifying that the waiver was provided and in place for the life of this subaward.

concerns related to incomplete timesheets, the payroll approval process, and expenditures that occurred before the subaward period began, as discussed in the following sections.

### ***Personnel Costs***

Our testing of personnel expenditures can be divided into two parts. First, we judgmentally sampled transactions for 3 non-consecutive months that included all employees paid with subaward funds, totaling \$136,107 in salary and fringe benefit costs.<sup>5</sup> Except in the instance of the aforementioned CAP/Outreach Supervisor where we deemed \$38,820 to be unallowable, we determined that all the personnel transactions we tested were related to allowable VOCA activities but not fully supported. The Uniform Guidance requires that the documentation of personnel expenses comply with established accounting policies and be supported by a system of internal control, which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. WON's policies state that department directors/managers or their designees are to approve timesheets prior to submission to the Finance Department, which reflects adequate internal controls. We found that while these timesheets documented hours of work performed on approved subaward activities (except for the CAP/Outreach Supervisor), none of the timesheets contained complete written evidence of supervisory review and approval. Therefore, we question the entire amount tested as unsupported.<sup>6</sup> As a result, we recommend that DOJ OJP and the Minnesota OJP remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.

We spoke with officials from the Minnesota OJP about the lack of documented supervisory review on timesheets, and they stated that a prior state-level desk review found the same issue. In addition, we discussed the matter with the WON Business Manager who summarized the supervisory review process, which occurs informally via email but is not recorded in the electronic timekeeping system. The Business Manager also stated that WON planned to update its procedures and require direct supervisors to approve time within the organization's electronic payroll system. After discussing this matter with a WON official, they subsequently provided us with evidence that in May 2023, WON revised its policy and procedures to require direct supervisors to approve time directly within the organization's electronic payroll system. WON also provided evidence that these procedures have already been enacted and distributed to appropriate staff. As a result, we do not make a policy-related recommendation regarding supervisory approval of timesheets.

For the second part of our personnel expenditure testing, we examined all salary and fringe benefit costs between October 2021 and March 2023 related to the Medical Professional and Mental Health Professional that were charged to the subaward, totaling \$58,080.<sup>7</sup> We found that neither individual properly completed timesheets to support having worked on subaward activities. According to the Uniform Guidance, charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Further, WON's own financial policies and procedures require that each timesheet reflect all hours worked during the pay period. However, neither guidance was followed, and we found that the

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<sup>5</sup> This amount does not include personnel expenses for the Medical Professional and Mental Health Professional. We tested those expenses separately, and this testing is discussed later in this section.

<sup>6</sup> Of the total \$136,107 in unsupported personnel costs, \$9,891 pertains to the CAP/Outreach Supervisor, which we also questioned as unallowable.

<sup>7</sup> In addition to VOCA funds, both individuals' salary and fringe costs were partially charged to state funds, which were outside the scope of our testing.

timesheets for the Medical Professional and Mental Health Professional did not indicate hours worked on VOCA-related projects, and sometimes did not indicate any hours worked at all. We spoke with the Mental Health Professional and the Business Manager, and both agreed that WON lacked the proper supporting documentation for the costs charged to the subaward. Therefore, we question the entire amount tested as unsupported. As a result, we recommend that DOJ OJP and the Minnesota OJP remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional. We also recommend that DOJ OJP and the Minnesota OJP ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.

Finally, while examining WON's timesheets, we found that many staff members earned pay differentials for working overtime or overnight shifts. When we asked about the procedures for determining the pay rates, the Business Manager stated that they manually calculate the differentials and include these on the employees' paychecks. However, we found that there are no written procedures outlining how to calculate the additional pay for non-standard schedules (e.g., overtime, overnight shifts). We did not identify any questioned costs in this area but brought this to the attention of a WON official, as we believe that WON should have established internal controls to ensure that employees receive fair pay and that federal awards are not improperly charged. Subsequently, the WON official provided evidence that in June 2023, WON enacted overnight and overtime policies and distributed them to WON's management team. We reviewed the policies and found that they address our concern. Therefore, we do not make a recommendation in this area.

### ***Direct Client Assistance Costs***

As part of our expenditure testing, we examined 23 direct client assistance expenditures, including rental assistance, transportation, and personal items such as hygiene supplies, totaling \$6,548. We found that all expenditures were generally supported and allowable. However, we found that WON was reimbursed for transactions that occurred prior to the subaward start date of October 1, 2021. As the reimbursed amount was nominal, we are not questioning the costs. We noted that in a prior desk review, the Minnesota OJP had also identified expenditures incurred outside the allowable subaward period, yet we did not identify any revision to WON's internal controls as a result of the prior state-level review and finding. We discussed this matter with a WON official who subsequently provided evidence that in June 2023, WON updated its policies to include additional procedures to ensure that WON does not request reimbursement for expenditures outside future award periods. We reviewed the policy and found that it addresses our concern. Therefore, we do not make a recommendation in this area.

### **Single Audit**

Any non-federal entity that expends more than \$750,000 during its fiscal year is required to have a single audit performed. We found that WON had a single audit completed for fiscal year ending June 30, 2020.<sup>8</sup> We reviewed that single audit report, which disclosed deficiencies related to WON's VOCA funding including internal controls over financial reporting, as well as WON's payroll oversight, cash management review and approval, cost matching, and documentation review. In addition, WON's FY 2020 single audit report

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<sup>8</sup> According to WON officials, the 2020 fiscal year is the last year in which the organization met the single audit threshold.

identified questioned costs of \$14,522 and \$1,701 related to a lack of time and effort documentation and supporting documentation for disbursements, respectively.

According to the Uniform Guidance, the agency or pass-through entity responsible for oversight is required to issue a management decision on audit findings within 6 months after receipt of the single audit report by the Federal Audit Clearinghouse and ensure that the subrecipient takes appropriate and timely corrective action. We asked the Minnesota OJP for documentation that it issued a management decision to WON related to the FY 2020 single audit deficiencies, and they provided evidence that they issued a management decision letter and WON responded to close the recommendations. However, we found that issues identified in the FY 2020 single audit report were still present at the time of our audit, and we did not find evidence that the Minnesota OJP resolved or closed the corrective actions discussed in the management decision letter. We also determined that the Minnesota OJP lacked formal written policies for issuing management decision letters and taking corrective action on single audit report findings. In addition, the Minnesota OJP informed us that in June 2023, a procedure was created to address single audit management decisions but that this procedure had not yet been finalized.

We recommend that DOJ OJP require the Minnesota OJP to ensure that adequate corrective action has been taken related to WON's FY 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied. In addition, we recommend that DOJ OJP require the Minnesota OJP to finalize and implement written policies and procedures that help ensure the Minnesota OJP issues management decisions and help ensure corrective action is taken on subrecipient single audit report findings.

## Conclusion and Recommendations

As a result of our audit testing, we concluded that WON generally achieved the subaward's stated goals and objectives by providing emergency shelter services to victims of crime. However, we found that WON lacked policies on federally required quarterly reporting, was reimbursed for work unrelated to approved subgrant victim services, shared victim information with rideshare and taxi services, and did not properly track expenditures by federal award within its accounting system. We also found that WON lacked support for certain personnel expenditures and needed to improve its timesheet approval and pay differential procedures. As a result of these deficiencies, we identified \$38,820 in unallowable expenses and \$194,187 in unsupported costs. We provide seven recommendations to DOJ OJP and the Minnesota OJP to address these deficiencies and remedy \$38,820 in unallowable and \$194,187 in unsupported personnel costs.

We recommend that DOJ OJP and the Minnesota OJP:

1. Remedy the \$38,820 in unallowable expenditures related to the CAP/Outreach Supervisor's personnel costs.
2. Ensure that WON maintains an adequate accounting process that separately and accurately tracks all federal financial assistance.
3. Remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.
4. Remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.
5. Ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.

We recommend that DOJ OJP:

6. Require the Minnesota OJP to ensure that adequate corrective action has been taken related to WON's FY 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied.
7. Require the Minnesota OJP to finalize and implement written policies and procedures that help ensure the Minnesota OJP issues management decisions and help ensure corrective action is taken on subrecipient single audit report findings.

# APPENDIX 1: Objective, Scope, and Methodology

## Objective

The objective of this audit is to review how Women of Nations, Incorporated, (WON) used the Victims of Crime Act (VOCA) funds received through a subaward from the Minnesota Department of Public Safety Office of Justice Programs (Minnesota OJP) to assist crime victims and assess whether it accounted for VOCA funds in compliance with select award requirements, terms, and conditions. To accomplish this objective, we assessed program performance and accomplishments and grant financial management.

## Scope and Methodology

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

This was an audit of a subaward to WON, totaling \$1,359,841, funded by the Minnesota OJP from primary VOCA grants 2019-V2-GX-0033, 2020-V2-GX-0018, 15POVC-21-GG-00579-ASSI, and 15POVC-22-GG-00764-ASSI awarded by the Department of Justice's Office of Justice Programs (DOJ OJP) Office for Victims of Crime (OVC). As of March 2023, the Minnesota OJP had reimbursed WON \$885,832 in subaward funds.

Our audit concentrated on, but was not limited to, the period of October 2021 through March 2023. The Department of Justice Grants Financial Guide; the VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Minnesota OJP guidance; and the OVC and Minnesota OJP award documents contain the primary criteria we applied during the audit.

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

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

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of WON to provide assurance on its internal control structure as a whole. WON management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. § 200. Because we do not express an opinion on the WON's internal control structure as a whole, we offer this statement solely for the information and use of WON, the Minnesota OJP, and DOJ OJP.<sup>9</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we assessed the design and implementation of WON's policies and procedures. We also tested the implementation and operating effectiveness of specific controls over subaward execution and compliance with laws and regulations in our audit scope.

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<sup>9</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

## APPENDIX 2: Schedule of Dollar-Related Findings

Description	OJP Prime Number	SAA Subaward Identifier	Amount	Page
<b>Questioned Costs:</b>				
Unallowable CAP/Outreach Supervisor Personnel Costs	2020-V2-GX-0018	A-CVS-2022-WON-0009	28,290	
	15POVC-21-GG-00579-ASSI	A-CVS-2022-WON-0009	<u>10,530</u>	
Unallowable Costs			\$38,820	4
Unsupported Personnel Costs (Excluding Medical Professional and Mental Health Professional Positions)	2019-V2-GX-0033	A-CVS-2022-WON-0009	\$33,450	
	2020-V2-GX-0018	A-CVS-2022-WON-0009	46,569	
	15POVC-21-GG-00579-ASSI	A-CVS-2022-WON-0009	<u>56,088</u>	
<i>Subtotal</i>			\$136,107	6
Unsupported Personnel Costs for the Medical Professional and Mental Health Professional Positions	2019-V2-GX-0033	A-CVS-2022-WON-0009	\$10,878	
	2020-V2-GX-0018	A-CVS-2022-WON-0009	30,256	
	15POVC-21-GG-00579-ASSI	A-CVS-2022-WON-0009	<u>16,946</u>	
<i>Subtotal</i>			\$58,080	6
Unsupported Costs			\$194,187	
<i>Gross Questioned Costs<sup>10</sup></i>			\$233,007	
Less Duplicative Questioned Costs <sup>11</sup>	2019-V2-GX-0033	A-CVS-2022-WON-0009	(2,236)	
	2020-V2-GX-0018	A-CVS-2022-WON-0009	(2,882)	
	15POVC-21-GG-00579-ASSI	A-CVS-2022-WON-0009	<u>(4,773)</u>	
<i>Subtotal</i>			(\$9,891)	
<b>Net Questioned Costs</b>			<b>\$223,116</b>	

<sup>10</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

<sup>11</sup> We questioned personnel expenditures associated with the CAP/Outreach Supervisor for more than one reason. Net questioned costs exclude the duplicate amount, which totaled \$9,891 in personnel expenditures that were both unallowable and unsupported.

# APPENDIX 3: Women of Nations, Incorporated, Response to the Draft Report



Women of Nations  
PO Box 7125  
Saint Paul, MN 55107

Phone: 651-251-1605  
Fax: 651-222-1207

women-of-nations.org

September 1, 2023

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

Dear Mr. Anderson:

Women of Nations, Incorporated (WON) has received the draft report of the audit, conducted by your office covering activities from October 1, 2021, and September 30, 2023. The purpose of this letter is to provide a formal response to the recommendations contained in the draft report, dated August 24, 2023.

The report contains five recommendations which are addressed below. After each the WON response:

**Recommendation 1:** Remedy the \$38,820 in unallowable expenditures related to the CAP/Outreach Supervisor's personnel costs.

**Response 1:** WON **disagrees** with this recommendation. It is the belief of WON that the expenditures questioned in this recommendation are allowable costs under federal VOCA guidelines.

While it is true that this position (CAP/Outreach Supervisor) began working with offenders as a part of their duties, it is also true that the majority of offenders that participated in services were victims of domestic violence; including those who were incarcerated due to an incident where the incarcerated individual was a victim of domestic violence.

WON has long identified the need for services in this area. Increasingly, many of WON's shelter residents are formerly incarcerated individuals who were incarcerated due to a domestic

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*Women of Nations provides culturally specific emergency services and support to all who have experienced trauma from domestic violence and sexual assault. We empower Native American communities to put an end to all forms of violence through education and prevention.*

violence incident. Due to this fact, WON identified a need for services within correctional institutions to help serve victims before they are released.

Additionally, WON will update the CAP/Outreach Specialist position description with the current activities that reflect VOCA compliant activities.

**Recommendation 2:** Ensure that WON maintains an adequate accounting process that separately and accurately tracks all federal financial assistance.

Response 2: WON **partially concurs** with this recommendation. This recommendation was identified and rectified during field work and should not appear as an active recommendation.

**Recommendation 3:** Remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.

Response 3: WON **partially concurs** with this recommendation. While WON was not using the latest available resources to approve timesheets, WON was using an established method of reviewing timesheets that multiple auditing organizations had signed off on in the past.

WON has adopted the newly available resources to approve timesheets at the request of the OIG auditors. However, this does not mean that WON supervisors were not properly and completely reviewing timesheets prior to adopting this new system.

WON is always striving to adopt best practices in every area of operation and WON is pleased to do so in this area as new resources are made available. However, this does not discredit the previous review of timesheets which had been done completely and thoroughly using the previous method for years.

**Recommendation 4:** Remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.

Response 4: WON **partially concurs** with this recommendation. WON recognizes that the referenced staff members did not satisfactorily complete all of their timesheets. However, it is the belief of WON that eligible work was completed during the time periods in which reimbursement was claimed. WON will ensure that timesheets are completed accurately by all staff and will work with Minnesota OJP to remedy these costs.

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*Women of Nations provides culturally specific emergency services and support to all who have experienced trauma from domestic violence and sexual assault. We empower Native American communities to put an end to all forms of violence through education and prevention.*

**Recommendation 5:** Ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.

**Response 5:** WON **concurs** with this recommendation. WON will coordinate with Minnesota OJP to develop procedures that will ensure WON employees submit completed timesheets in accordance with its existing policy.

Women of Nations, Inc. appreciates the opportunity to respond to the audit report. We look forward to working with Minnesota OJP to resolve the issues identified in the report and implement the associated recommendations. The audit process has resulted in a **greater understanding of required subaward management and administration.**

Sincerely,



Della Plume  
Chief Executive Officer

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*Women of Nations provides culturally specific emergency services and support to all who have experienced trauma from domestic violence and sexual assault. We empower Native American communities to put an end to all forms of violence through education and prevention.*

# APPENDIX 4: The Minnesota Department of Public Safety Office of Justice Programs Response to the Draft Report

## MINNESOTA DEPARTMENT OF PUBLIC SAFETY



Alcohol  
and Gambling  
Enforcement

Bureau of  
Criminal  
Apprehension

Driver  
and Vehicle  
Services

Emergency  
Communication  
Networks

Homeland  
Security and  
Emergency  
Management

Minnesota  
State Patrol

Office of  
Communications

Office of  
Justice Programs

Office of  
Pipeline Safety

Office of  
Traffic Safety

State Fire  
Marshal



### Office of Justice Programs

445 Minnesota Street • Suite 2300 • Saint Paul, Minnesota 55101-1515  
Phone: 651.201.7300 • Fax: 651.296.5787 • TTY: 651.205.4827 • Toll Free 1.888.622.8799  
[www.ojp.dps.mn.gov](http://www.ojp.dps.mn.gov)

September 8, 2023

Todd A. Anderson  
Regional Audit Manager  
Office of Inspector General  
500 West Madison Street, Suite 1121  
Chicago, Illinois 60661  
VIA: *Electronic Mail at: [Todd.A.Anderson@usdoj.gov](mailto:Todd.A.Anderson@usdoj.gov)*

Dear Mr. Anderson,

The Minnesota Department of Public Safety, Office of Justice Programs (Minnesota OJP) is in receipt of the draft audit report from the U.S. Department of Justice (DOJ), Office of the Inspector General (OIG), Chicago Regional Audit Office, dated August 24, 2023, related to an audit of Sub-Award Number A-CVS-2022-WON-0009, made by the Minnesota OJP to Women of Nations, Incorporated (WON), under OJP's Victims of Crime Act (VOCA), Victim Assistance Formula Grant Program, Grant Numbers 2019-V2-GX-0033, 2020-V2-GX-0018, 15POVC-21-GG-00579-ASSI, and 15POVC-22-GG-00764-ASSI. The Minnesota OJP response is as follows.

**Finding #1: Remedy the \$38,820 in unallowable expenditures related to the CAP/Outreach Supervisor's personnel costs.**

Minnesota OJP partially agrees with this finding. Services for offenders to address their own victimization is allowable under VOCA guidelines. Minnesota OJP recognizes the position description originally submitted with the grant application for the CAP/Outreach Supervisor needed to be updated to reflect the employee's work with groups of offenders, and Minnesota OJP will work with WON to get an updated position description in the grant file that is a true reflection of the job duties and is VOCA compliant. The CAP/Outreach Supervisor reports that over 75% of group participants have been impacted by domestic violence. This information is collected as part of surveys of the participating individuals. MN OJP will work with WON to verify this information and determine the extent of services related to domestic violence victimization provided by the CAP/Outreach Supervisor, to determine the VOCA compliant portion, and will submit this to the OIG for consideration by October 6, 2023.

Minnesota OJP requests OIG review the WON response letter dated September 1, 2023 regarding WON's disagreement with the finding and requests OIG provide a final determination upon review of the additional information (copy of revised position description) if OJP needs to remedy the \$38,820 in unallowable expenditures or a portion of the amount

EQUAL OPPORTUNITY EMPLOYER

**Finding #2: Ensure that WON maintain an adequate accounting process that separately and accurately tracks all federal financial assistance.**

Minnesota OJP agrees with this finding and is aware WON has already identified and rectified this finding prior to the release of this draft report. The Minnesota OJP will monitor WON's continued compliance through desk reviews and through grant manager site visits.

**Finding #3: Remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.**

Minnesota OJP partially agrees with this finding due to the established method of reviewing timesheets that WON has had in place, which has been sufficient in previous audits. Minnesota OJP will work with WON to identify additional documentation that shows how supervisors were properly and completely reviewing the timesheets in question by October 6, 2023. In the event sufficient documentation is not provided, Minnesota OJP will have the funds returned by WON, adjust the accounting records, and submit a revised FFR for the award from DOJ OJP by December 31, 2023.

**Finding #4: Remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.**

Minnesota OJP agrees with this finding. Minnesota OJP will have the funds returned by WON, adjust the accounting records, and submit a revised FFR for the award from DOJ OJP by December 31, 2023.

**Finding #5: Ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.**

Minnesota OJP agrees with this finding and will require WON to provide written documentation to Minnesota OJP by December 31, 2023, that demonstrates employees have been reminded of the need to submit completed timesheets in accordance with WON policies. The Minnesota OJP will monitor WON's continued compliance through grant manager site visits.

**Finding #6: Require the Minnesota OJP to ensure that adequate corrective action has been taken related to WON's FY 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied.**

Minnesota OJP agrees with this finding. The Minnesota OJP will have the funds returned by WON, adjust the accounting records, and submit a revised FFR for the award from DOJ OJP by December 31, 2023. Minnesota OJP will issue a corrective action close-out letter upon resolution of the single audit report deficiencies, by December 31, 2023

**Finding #7: Require the Minnesota OJP to finalize and implement written policies and procedures that help ensure the Minnesota OJP issues management decisions and help ensure corrective action is taken on subrecipient single audit report findings.**

Minnesota OJP agrees with this finding and will submit a finalized written policy and procedure to DOJ OJP by December 31, 2023. The policy and procedure will document the process to ensure adequate review of audited financial reports and issuing management decisions, and final closure on corrective actions from subrecipient single audit report findings.

Sincerely,



Kathryn Weeks  
Executive Director  
Office of Justice Programs  
Minnesota Department of Public Safety

EQUAL OPPORTUNITY EMPLOYER

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



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

September 14, 2023

MEMORANDUM TO: Todd A. Anderson  
Regional Audit Manager  
Chicago Regional Audit Office  
Office of the Inspector General

FROM: Jeffery A. Haley *Jeffery A. Haley*  
Deputy Director, Audit and Review Division

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Minnesota Department of Public Safety Office of Justice Programs to Women of Nations, Incorporated, Saint Paul, Minnesota*

This memorandum is in reference to your correspondence, dated August 24, 2023, transmitting the above-referenced draft audit report for the Women of Nations, Incorporated (WON). WON received subaward funds from the Minnesota Department of Public Safety, Office of Justice Programs (Minnesota OJP), under the U.S. Department of Justice, Office of Justice Programs' (DOJ OJP), Office for Victims of Crime (OVC), Victims of Crime Act (VOCA), Victim Assistance Formula Grant Program, Grant Numbers 2019-V2-GX-0033, 2020-V2-GX-0018, 15POVC-21-GG-00579-ASSI, and 15POVC-22-GG-00764-ASSI. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains seven recommendations and \$223,116<sup>1</sup> in net questioned costs. The following is the DOJ OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by the DOJ OJP's response.

- 1. We recommend that DOJ OJP and the Minnesota OJP remedy the \$38,820 in unallowable expenditures related to the CAP/Outreach Supervisor's personnel costs.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that services for offenders to address their own victimization are allowable under the VOCA guidelines. Minnesota OJP also stated that it recognizes the position description originally submitted with WON's grant application for the Community Advocacy Program (CAP)/Outreach Supervisor needed to

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<sup>1</sup> Some costs were questioned for more than one reason. Net questioned costs exclude the duplicate amounts.

be updated to reflect the employee's work with groups of offenders, and that it will work with WON to update the grant file with a position description that is a true reflection of the job duties and that is VOCA compliant. In addition, the Minnesota OJP stated that the CAP/Outreach Supervisor reported that over 75 percent of group participants had been impacted by domestic violence, and that the information was collected as part of surveys of the participating individuals. Further, the Minnesota OJP stated that it will work with WON to verify this information, and to determine the extent of services related to domestic violence victimization provided by the CAP/Outreach Supervisor and the VOCA compliant portion.

Finally, the Minnesota OJP also requested that the OIG review WON's response, dated September 1, 2023, regarding WON's disagreement with the finding, and provide a final determination of its review. While this action is already part of the OIG's review of the responses submitted for this draft audit report, the Minnesota OJP has not provided its approval of these costs, through a formal budget modification of the subaward.

Accordingly, we will review the \$38,820 in unallowable questioned costs, related to the CAP/Outreach Supervisor's personnel expenditures charged to WON's subaward under Grant Numbers 2020-V2-GX-0018 (\$28,290) and 15POVC-21-GG-00579-ASSI (\$10,530), and will work with the Minnesota OJP to remedy, as appropriate.

2. **We recommend that DOJ OJP and the Minnesota OJP ensure that WON maintain an adequate accounting process that separately and accurately tracks all federal financial assistance.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it is aware that WON identified and rectified this finding prior to the release of this draft report, and that it will monitor WON's continued compliance through desk reviews and through grant manager site visits. However, the Minnesota OJP did not state if WON also updated its written policies and procedures to address this recommendation.

Accordingly, we will coordinate with the Minnesota OJP to obtain a copy of WON's written policies and procedures, developed and implemented, to ensure that an adequate accounting process is established and maintained, to separately and accurately track all Federal financial assistance funds. We will also coordinate with the Minnesota OJP to obtain evidence that WON distributed the policies and procedures to staff responsible for managing Federal grant funds.

- 3. We recommend that DOJ OJP and the Minnesota OJP remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it will work with WON to identify additional documentation that shows how supervisors were properly and completely reviewing the timesheets in question. The Minnesota OJP also stated that, in the event sufficient documentation is not provided, it will require WON to return these funds, and that it will adjust its grant accounting records and submit a revised Federal Financial Report (FFR) for each of the DOJ grants, by December 31, 2023.

Accordingly, we will review the \$136,107 in unsupported questioned costs, related to salary and fringe benefit expenditures charged to WON's subaward under Grant Numbers 2019-V2-GX-0033 (\$33,450), 2020-V2-GX-0018 (\$46,569), and 15POVC-21-GG-00579-ASSI (\$56,088), and will work with the Minnesota OJP to remedy, as appropriate.

- 4. We recommend that OJP and the Minnesota OJP remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it will require WON to return these funds, and that it will adjust its grant accounting records and submit a revised FFR for each of the DOJ grants, by December 31, 2023.

Accordingly, we will review the \$58,080 in unsupported questioned costs, related to personnel expenditures associated with the Medical Professional and Mental Health Professional, charged to WON's subaward under Grant Numbers 2019-V2-GX-0033 (\$10,878), 2020-V2-GX-0018 (\$30,256), and 15POVC-21-GG-00579-ASSI (\$16,946), and will work with the Minnesota OJP to remedy, as appropriate.

- 5. We recommend that DOJ OJP and the Minnesota OJP ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it will require WON to provide written documentation that demonstrates its employees have been reminded of the need to submit completed timesheets, in accordance with WON policies, by December 31, 2023. The Minnesota OJP also stated that it will monitor WON's continued compliance through grant manager site visits.

Accordingly, we will coordinate with the Minnesota OJP to obtain documentation from WON, which demonstrates that WON reiterated to its employees the need to submit completed timesheets, in accordance with WON's existing policy.

6. **We recommend that DOJ OJP require the Minnesota OJP to ensure that adequate corrective action has been taken related to WON's FY 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it will require WON to return funds for any unsupported questioned costs, identified in their Fiscal Year (FY) 2020 single audit report, adjust their grant accounting records to remove the costs, and submit a revised FFR for each of the DOJ grants identified in the findings. Minnesota OJP also stated that it will issue a corrective action close-out letter upon resolution of the single audit report deficiencies, which it stated will be completed by December 31, 2023.

Accordingly, we will coordinate with the Minnesota OJP to obtain written confirmation that WON has adequately addressed the findings from their FY 2020 single audit report, and that the questioned costs identified have been appropriately remedied.

7. **We recommend that OJP require the Minnesota OJP to finalize and implement written policies and procedures that help ensure the Minnesota OJP issues management decisions and help ensure corrective action is taken on subrecipient single audit report findings.**

The DOJ OJP agrees with the recommendation. In its response, dated September 8, 2023, the Minnesota OJP stated that it will submit its finalized written policies and procedures to the DOJ OJP by December 31, 2023, which will document the process for ensuring that it adequately reviews audited financial reports and issues management decisions, and works to ensure closure on corrective actions from subrecipient single audit report findings.

Accordingly, we will coordinate with the Minnesota OJP to obtain a copy of its finalized written policies and procedures, developed and implemented, to ensure that it issues management decisions, and ensures that corrective action is taken on subrecipients' single audit report findings.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Linda J. Taylor, Lead Auditor, Audit Coordination Branch, of my staff on (202) 514-7270.

cc: Maureen A. Henneberg  
Deputy Assistant Attorney General  
for Operations and Management

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

cc: Linda J. Taylor  
Lead Auditor, Audit Coordination Branch  
Audit and Review Division  
Office of Audit, Assessment, and Management

Kristina Rose  
Director  
Office for Victims of Crime

Katherine Darke Schmitt  
Principal Deputy Director  
Office for Victims of Crime

James Simonson  
Associate Director for Operations  
Office for Victims of Crime

Kathrina S. Peterson  
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Jennifer Plozai  
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Rachel Johnson  
Chief Financial Officer

Christal McNeil-Wright  
Associate Chief Financial Officer  
Grants Financial Management Division  
Office of the Chief Financial Officer

cc: Joanne M. Suttington  
Associate Chief Financial Officer  
Finance, Accounting, and Analysis Division  
Office of the Chief Financial Officer

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

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

OJP Executive Secretariat  
Control Number OCOM000521

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

The Office of the Inspector General (OIG) provided a draft of this audit report to the Department of Justice Office of Justice Programs (DOJ OJP), the Minnesota Department of Public Safety Office of Justice Programs (Minnesota OJP), and Women of Nations, Incorporated (WON). DOJ OJP's response is incorporated in Appendix 5, the Minnesota OJP's response is incorporated in Appendix 4, and WON's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, DOJ OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. For the five recommendations addressed to WON, WON concurred with one recommendation, partially concurred with three recommendations, and disagreed with one recommendation.<sup>12</sup> The Minnesota OJP agreed with five recommendations and partially agreed with two recommendations. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

### **Recommendations for DOJ OJP and the Minnesota OJP:**

#### **1. Remedy the \$38,820 in unallowable expenditures related to the Community Advocacy Program (CAP)/Outreach Supervisor's personnel costs.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will review the \$38,820 in unallowable questioned costs and work with the Minnesota OJP to remedy these costs, as appropriate. DOJ OJP's response also acknowledged that while the Minnesota OJP requested that the OIG review WON's response, the Minnesota OJP has not yet provided its approval of these costs through a formal budget modification of the subaward. As a result, this recommendation is resolved.

The Minnesota OJP partially agreed with our recommendation. The Minnesota OJP stated in its response that the position description WON originally submitted with the grant application needed to be updated to reflect the employee's work with groups of offenders and that it will work with WON to get an updated position description in the grant file. The Minnesota OJP also stated that the CAP/Outreach Supervisor reports that over 75 percent of group participants have been impacted by domestic violence. The Minnesota OJP stated that it will verify this information and determine the extent of VOCA-compliant services provided by the CAP/Outreach Supervisor.

WON disagreed with the recommendation. In its response, WON stated that it believes the expenditures questioned are allowable costs under the Victims of Crime Act (VOCA) Guidelines. WON further stated that the majority of offenders who participated in services were victims of domestic violence, and that it has long identified the need for services within correctional institutions to help serve victims before they are released. Further, WON stated that it will update

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<sup>12</sup> Only five of the seven recommendations pertained to WON, and these recommendations were addressed to both the Minnesota OJP and DOJ OJP. The remaining two recommendations pertained only to the Minnesota OJP and were therefore addressed to DOJ OJP.

the CAP/Outreach Supervisor's position description with the current activities that reflect VOCA-compliant activities.

We reviewed the information in the Minnesota OJP and WON's responses and acknowledge that the services provided to incarcerated individuals may have benefitted victims of crime. However, as noted in our report, these services reflected a change in the CAP/Outreach Supervisor's duties as described in WON's application and that the Minnesota OJP was unaware of the changes to this individual's duties. As a result, this individual was performing duties outside of the approved application, and as indicated in DOJ OJP's response, the Minnesota OJP has not yet provided evidence of its approval of these costs.

This recommendation can be closed when we receive evidence that DOJ OJP has remedied the \$38,820 in unallowable personnel expenditures.

**2. Ensure that WON maintains an adequate accounting process that separately and accurately tracks all federal financial assistance.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will coordinate with the Minnesota OJP to obtain a copy of WON's written policies and procedures, developed and implemented, to ensure that an adequate accounting process is established and maintained for separately and accurately tracking all federal financial assistance funds. DOJ OJP also stated that it will coordinate with the Minnesota OJP to obtain evidence that WON distributed the policies and procedures to staff responsible for managing federal grant funds. As a result, this recommendation is resolved.

The Minnesota OJP agreed with our recommendation and stated in its response that WON has already identified and rectified this finding prior to the release of the draft report. The Minnesota OJP further stated that it will monitor WON's compliance through desk reviews and site visits.

WON partially concurred with this recommendation. In its response, WON stated that this finding was identified and rectified during fieldwork and should not appear as an active recommendation.

However, while WON provided the OIG with evidence that its accounting system can identify expenditures by federal award, the finding has not been fully resolved. As noted in our report, WON still did not properly identify the correct source of funds for expenditures associated with the audited subaward. Specifically, the supporting documentation identified June 2023 expenditures as expenses associated with federal VOCA award 2020-V2-GX-0018, instead of the 15POVC-21-GG-00579-ASSI award. As such, the current system is not properly identifying the correct federal award associated with VOCA spending.

This recommendation can be closed when we receive evidence that WON maintains an adequate accounting process that separately and accurately tracks all federal financial assistance.

**3. Remedy the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will review the \$136,107 in unsupported questioned costs and work with the Minnesota OJP to remedy these costs, as appropriate. As a result, this recommendation is resolved.

The Minnesota OJP partially agreed with our recommendation. The Minnesota OJP stated in its response that the established method of reviewing timesheets that WON has had in place has been sufficient in previous audits. It also stated that it will work with WON to identify additional documentation that shows how supervisors were properly and completely reviewing the timesheets in question. The Minnesota OJP stated that if sufficient documentation is not provided, it will have WON return the funds, adjust the accounting records, and submit a revised federal financial report (FFR) for the award.

WON partially concurred with our recommendation. In its response, WON stated that it was using an established method of reviewing timesheets that multiple auditing organizations had signed off on in the past, yet also acknowledged that it was not using the latest available resources to approve timesheets. WON also stated that it has adopted newly available resources to approve timesheets.

We reviewed the information in the Minnesota OJP and WON's responses, and we acknowledge that WON had been using an established method for time recording. However, as noted in our report, the WON timesheets that we reviewed did not provide evidence of supervisory review, which was required by WON's internal policy.

This recommendation can be closed when we receive evidence that DOJ OJP has remedied the \$136,107 in unsupported salary and fringe benefit costs associated with unapproved timesheets.

**4. Remedy the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will review the \$58,080 in unsupported questioned costs and work with the Minnesota OJP to remedy these costs, as appropriate. As a result, this recommendation is resolved.

The Minnesota OJP agreed with our recommendation and stated in its response that it will have WON return the funds, adjust the accounting records, and submit a revised FFR for the award.

WON partially concurred with our recommendation. In its response, WON stated that it recognizes that the staff members did not satisfactorily complete all their timesheets; however, it believes that eligible work was completed during the time periods in which reimbursement was claimed. WON stated that it will ensure that timesheets are completed accurately by all staff and will work with the Minnesota OJP to remedy these costs.

This recommendation can be closed when we receive evidence that DOJ OJP has remedied the \$58,080 in unsupported personnel costs associated with the Medical Professional and Mental Health Professional.

**5. Ensure that WON reiterates to employees the need to submit completed timesheets in accordance with its existing policy.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Minnesota OJP to obtain documentation from WON that demonstrates WON reiterated to its employees the need to submit completed timesheets in accordance with WON's existing policy. As a result, this recommendation is resolved.

The Minnesota OJP agreed with our recommendation. In its response, the Minnesota OJP stated that it will require WON to provide written documentation that demonstrates employees have been reminded of the need to submit completed timesheets in accordance with WON's policies. The Minnesota OJP also stated that it will monitor WON's compliance through site visits.

WON concurred with our recommendation. WON stated in its response that it will work with the Minnesota OJP to develop procedures that will ensure WON employees submit completed timesheets in accordance with its existing policy.

This recommendation can be closed when we receive evidence that the WON has reiterated to employees the need to submit completed timesheets in accordance with its existing policy.

**Recommendations for DOJ OJP:**

**6. Require the Minnesota OJP to ensure that adequate corrective action has been taken related to WON's Fiscal Year (FY) 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will coordinate with the Minnesota OJP to obtain written confirmation that WON has adequately addressed the findings from its FY 2020 single audit report, and that the questioned costs have been appropriately remedied. As a result, this recommendation is resolved.

The Minnesota OJP agreed with our recommendation. In its response, the Minnesota OJP stated that it will have WON return the funds, adjust the accounting records, and submit a revised FFR. The Minnesota OJP also stated that it will issue a corrective action close-out letter upon resolution of the single audit report deficiencies.

This recommendation can be closed when we receive evidence that adequate corrective action has been taken related to WON's FY 2020 single audit report deficiencies, including ensuring that identified questioned costs have been appropriately remedied.

**7. Require the Minnesota OJP to finalize and implement written policies and procedures that help ensure the Minnesota OJP issues management decisions and help ensure corrective action is taken on subrecipient single audit report findings.**

Resolved. DOJ OJP agreed with our recommendation. DOJ OJP stated in its response that it will coordinate with the Minnesota OJP to obtain a copy of its finalized policies and procedures, developed and implemented, to ensure the Minnesota OJP issues management decisions and ensures corrective action are taken on subrecipient single audit report findings. As a result, this recommendation is resolved.

The Minnesota OJP agreed with our recommendation. In its response, the Minnesota OJP stated that it will submit a finalized written policy and procedure to DOJ OJP. According to the Minnesota OJP, this policy will document the process to ensure adequate review of audited financial reports, issuance of management decisions, and final closure on corrective actions from subrecipient single audit report findings.

This recommendation can be closed when we receive evidence that the Minnesota OJP has implemented the policies and procedures related to management decisions and corrective actions on subrecipient single audit report findings.