



Audit of Office of Justice Programs Grants
Awarded to the Center for Family Services, Inc.,
Camden, New Jersey



AUDIT DIVISION

24-091

AUGUST 2024



EXECUTIVE SUMMARY

Audit of Office of Justice Programs Grants Awarded to the Center for Family Services, Inc., Camden, New Jersey

Objectives

The Office of Justice Programs (OJP) awarded the Center for Family Services, Inc. (CFS), three grants totaling \$2.2 million for the Enhancing Community Responses and the Student, Teachers, and Officers Preventing (STOP) School Violence Grant programs. The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the award; and to determine whether the grantee demonstrated adequate progress towards achieving program goals and objectives.

Results in Brief

While we did not identify significant issues regarding CFS's management of the grant budgets and grant expenditures, and we found CFS was able to demonstrate progress towards achieving its grant-related goals and objectives, CFS did not effectively track its reported accomplishments and we could not verify the number of participants it served. Further, we found that CFS's progress reports were not accurate or adequately supported, and CFS did not have written policies and procedures to ensure accurate reporting. Additionally, CFS lacked written policies and procedures for ensuring accurate and appropriate drawdown activity and financial reporting.

Recommendations

Our report contains four recommendations for OJP. We requested a response to our draft audit report from CFS and OJP officials. Their responses can be found in Appendices 2 and 3, respectively. Our analysis of those responses can be found in Appendix 4.

Audit Results

The purpose of the two Enhancing Community Responses to the Opioid Crisis grants we reviewed was to serve children and teens who have been impacted by the opioid crisis or other substance abuse challenges. The purpose of the STOP School Violence grant was to prevent violence in schools. The total period covered by the audited grants was from October 2018 through September 2024. As of February 2024, CFS drew down a cumulative amount of \$1,140,235 for all the grants we reviewed.

Program Performance and Accomplishments

While CFS was able to demonstrate progress towards achieving its grant-related goals and objectives, that progress was negatively impacted by the COVID-19 pandemic. Additionally, we found CFS did not effectively track its reported accomplishments and we could not verify the number of participants it served. Additionally, CFS did not have written policies and procedures to ensure accurate reporting of program progress.

Financial Management

Based on our review of a sample of grant expenditures, including payroll and fringe, indirect, and other direct costs, we found these grant expenditures to be allowable, adequately supported, and allocable to the grants we audited. In addition, we did not identify significant deficiencies related to CFS's process for developing drawdown requests, and we determined that quarterly and cumulative expenditures for the financial reports we reviewed matched its accounting records. However, we found that CFS did not have any written policies and procedures in place to ensure compliance with federal requirements related to drawdowns and financial reporting.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three grants awarded by the Office of Justice Programs (OJP) to the Center for Family Services, Inc. (CFS), in Camden, New Jersey. The three grants, administered by OJP's Office for Victims of Crime (OVC) and Bureau of Justice Assistance (BJA), total \$2.2 million, as shown in Table 1.

Table 1

Grants Awarded to Center for Family Services, Inc.

Grant Program and Award Number	Program Office	Project Period Start Date	Project Period End Date ^a	Award Amount
Enhancing Community Responses to the Opioid Crisis (2018-V3-GX-0059)	OVC	10/01/2018	09/30/2023	\$750,000
Enhancing Community Responses to America's Addiction Crisis (2020-V3-GX-0156)	OVC	10/01/2020	09/30/2024	\$700,000
The Student, Teachers, and Officers Preventing (STOP) School Violence Program (2020-YS-BX-0091)	BJA	10/01/2020	09/30/2024	\$750,000
Total:				\$2,200,000

^a CFS requested two no cost, 12-month extensions for the 2018-V3-GX-0059 grant, extending the original award end date from September 30, 2021, to September 30, 2023. In addition, CFS requested a 12-month extension for both the 2020-V3-GX-0156 and 2020-YS-BX-0091 grants from their original period end dates from September 30, 2023, to September 30, 2024.

Source: DOJ's JustGrants System

Funding through the Enhancing Community Responses to the Opioid Crisis: Serving Our Youngest Crime Victims is intended to support children and youth who are crime victims because of the opioid crisis by providing direct services and support at a community or jurisdictional level. The Enhancing Community Responses to America's Addiction Crisis: Serving Our Youngest Crime Victims program is intended to increase access to trauma-informed services for youth impacted by parental or familial addiction crisis. Both of these grants provided funding for similar services, however the two funded programs were to serve separate geographic locations within New Jersey with different age groups of the children served (additional

detail is provided in the Audit Results section below). The Student, Teachers, and Officers Preventing (STOP) School Violence Program is intended to improve school security by providing students and teachers with the tools they need to recognize, respond quickly to, and help prevent acts of violence.

The Grantee

CFS is a non-profit, social services provider that serves New Jersey residents through multiple locations across the state. CFS services include addiction and recovery; community connections, counseling, and behavioral health; early childhood education, family support, and prevention of school violence; safe and supporting housing; trauma and victim response; and workforce development.

OIG Audit Approach

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the award; and to determine whether CFS could demonstrate adequate progress towards achieving 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 considered to be the most important conditions of the grants. The DOJ Grants Financial Guide; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and the award documents contain the primary criteria we applied during the audit.

The results of our analysis are discussed in detail later in this report. Appendix 1 contains additional information on this audit's objectives, scope, and methodology.

Audit Results

Program Performance and Accomplishments

We reviewed required performance reports, grant documentation, and interviewed CFS officials to determine whether CFS demonstrated adequate progress towards achieving each program's goals and objectives. We also reviewed the two most recent progress reports for each of the three grants to determine if the required reports were accurate.

Program Goals and Objectives

Enhancing Community Responses to the Opioid Crisis: Serving Our Youngest Crime Victims

Grant Number 2018-V3-GX-0059 was awarded under the Enhancing Community Responses to the Opioid Crisis Program. According to CFS, its overall objective for this grant was to offer individual and group counseling in Gloucester and Camden counties, New Jersey, to children and teens between 3 and 18 years of age, as well as the affected parent or guardian, impacted by the opioid crisis with a focus on Camden City, New Jersey. Additionally, CFS intended to provide community mobile services to impacted youth, including post-traumatic stress management in the aftermath of a fatal overdose of a parent or sibling. CFS also planned to conduct training and community workshops for professionals and community members to increase knowledge of the impact of the opioid crisis on children.

Enhancing Community Responses to America's Addiction Crisis: Serving Our Youngest Crime Victims

Grant Number 2020-V3-GX-0156 was awarded under the Enhancing Community Responses to America's Addiction Crisis Program, to offer individual and group counseling in Essex County, New Jersey, to children and teens between 0 and 18 years of age, as well as the affected parent or guardian, impacted by the opioid crisis with a focus on the cities of Newark, Orange, East Orange, and Irvington, New Jersey. Additionally, CFS intended to provide community mobile services to impacted youth, including post-traumatic stress management in the aftermath of a fatal overdose of a parent or sibling. CFS also planned to conduct training and community workshops for professionals and community members to increase knowledge of the impact of the opioid crisis on children.

STOP School Violence Program

Grant Number 2020-YS-BX-0091 was awarded under the STOP School Violence Program. According to CFS, the primary objective of this project was to prevent violence against others and self in schools by addressing risk factors and protective factors that are common across multiple forms of violence, creating protective and safe school environments, and strengthening individual skills and relationships among staff and students. To accomplish its objectives, CFS intended to partner with schools to provide training and

programming to school staff, as well as a range of students from elementary to high school through its WhyTry and Sources of Strength programs.¹

Program Progress and Accomplishments

In discussing the goals and objectives of the grant-funded programs, CFS officials stated that it provided a variety of services, including counseling and training. To assess CFS's progress towards meeting its program goals and objectives, we reviewed reported accomplishments, interviewed grant officials, and reviewed available supporting documentation for performance reports CFS was required to submit. As described below, we determined that CFS did not effectively track its reported accomplishments and we could not readily verify the number of participants it served. We also found that CFS lacked any written policies regarding maintaining appropriate supporting documentation and did not have well-designed processes to ensure accurate tracking of program activities and accomplishments was in place.

In our initial efforts to determine program performance, we requested documentation supporting performance reports submitted by CFS to the granting agencies; however, the documentation provided did not sufficiently support the grant-funded activities identified within those reports. We then requested additional support from CFS that included service records, progress notes, individual counseling statements, and workshop training documentation to determine whether alternative documentation could be used to support the grantee's progress toward meeting project goals and objectives. Overall, we found that CFS made progress towards its stated goals and objectives through counseling, workshops, and training. However, according to CFS and as evidenced through our review of this documentation, the COVID-19 pandemic had a significant impact on the delivery of services for all three grants. For Grant Numbers 2018-V3-GX-0059 and 2020-V3-GX-0156, during the pandemic CFS attempted to rely on outreach efforts through telehealth but found limited responses as the programs' targeted populations were dealing with the demands of surviving COVID-19. Because of school closures during the pandemic, Grant Number 2020-YS-BX-0091—which focused on providing services at schools—was also negatively impacted.

CFS further stated that the pandemic continued to affect its services even after the emergency period had ended. In reference to the STOP School Violence program (Grant Number 2020-YS-BX-0091), CFS explained that despite the pandemic being over, client referrals, as well as recruitment and hiring of counselors and coordinators continued to be an issue. CFS described ongoing efforts to increase recruitment efforts and client referrals, which included offering incentives and working on restructuring the service areas of the program.

While we were provided documentation to support that CFS was working to achieve its grants' goals and objectives, we were not able to determine the total number of people served or trained through each of the grants. We found that CFS lacked any written policies and procedures and did not have well-designed processes to ensure accurate tracking of program activities and accomplishments. By not having adequate policies and procedures, CFS was unable to adequately track and accurately report on its program

¹ The WhyTry program is geared toward increasing resilience and motivating students to do their best despite challenges they may incur during their high school career using interactive sessions that stress life skills. The Sources of Strength program targets prevention of youth violence against others and self through the development of resiliency skills and connectedness to adults.

accomplishments. We discussed the issue with CFS officials who stated that as a result of our audit, they are working on implementing policies and procedures in this area. We recommend OJP ensure CFS develops, implements, and adheres to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.

Required Performance Reports

According to the DOJ Grants Financial Guide, funding recipients 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 the information in the semi-annual progress reports submitted to the grant program offices, we selected a judgmental sample of 11 performance measures from 2 recent progress reports submitted for each of the 3 grants.² We then traced the reported accomplishments for those measures to available supporting documentation maintained by CFS. Additionally, we requested CFS's policies and procedures related to documenting and reporting its grant-related accomplishments but were told that CFS does not have any written policies and procedures in place.

Based on our assessment, we determined CFS's progress reports were not completely accurate. As shown in Table 2 below, we were not able to verify all of the reported accomplishments in our sample.

² For each grant, we reviewed the reports for the 6-month periods ending December 2022 and June 2023.

Table 2

Grants Awarded to Center for Family Services, Inc.

Reporting Period End Date	Measure Description	Accomplishment Reported	Evidence Provided	Accomplishment Supported?
Enhancing Community Responses to the Opioid Crisis (2018-V3-GX-0059)				
12/31/2022	Training events July 2022 through December 2022	3	3	YES
12/31/2022	Individuals served July 2022 through December 2022	35	12	NO
6/30/2023	Training events January 2023 through June 2023	7	7	YES
6/30/2023	Individuals served January 2023 through June 2023	46	15	NO
Enhancing Community Responses to America's Addiction Crisis (2020-V3-GX-0156)				
12/31/2022	Training events July 2022 through December 2022	3	3	YES
12/31/2022	Individuals served July 2022 through December 2022	2	2	YES
6/30/2023	Training events January 2023 through June 2023	0	0	YES
6/30/2023	Individuals served January 2023 through June 2023	4	Unknown	NO
The Student, Teachers, and Officers Preventing (STOP) School Violence Program (2020-YS-BX-0091)				
12/31/2022	Training events July 2022 through December 2022	154	3	NO
12/31/2022	Individuals served June 2022 through December 2023	897	Unknown	NO
6/30/2023	Training events January 2023 through June 2023	177	3	NO
6/30/2023	Individuals served January 2023 through June 2023	950	Unknown	NO

Source: DOJ's JustGrants System and OIG analysis of CFS's records

We discussed the issues with CFS officials, and they acknowledged that the information reported on its progress reports was inaccurate. According to CFS officials, for Grant Number 2018-V3-GX-0059, the inaccurate information reported on both progress reports for the number of people served between July 2022 and June 2023 occurred for two reasons. For the number of individuals served, the numbers reported were duplicated individuals and did not reflect the actual number served. Additionally, according to CFS, the reported numbers included parents of some of those served and those individuals were not reflected in the

supporting documentation provided to us. For Grant Number 2020-V3-GX-0156, CFS acknowledged that the actual number of individuals served between January 2023 and June 2023 was zero but was unable to provide an explanation for reporting in its progress reports that four individuals were served. Finally, for Grant Number 2020-YS-BX-0091, CFS told us that the numbers reported on the progress reports included the total number of people served, however they did not maintain adequate documentation to substantiate those numbers. According to CFS officials, as a result of our audit, it implemented procedures to require a Receipt of Services document when grant-funded services are provided; this establishes proof of the delivery of services. CFS provided examples of the newly created documents, but the examples were not completed as designed because the participating organizations' names and addresses were omitted. Additionally, the provided examples did not list the specific dates and times of multiple trainings provided throughout the semi-annual period.

It is important that grantees provide the granting agencies with accurate information because the lack of accurate progress reports hinders their ability to monitor grant activity and increases the risk for grant funds to be wasted or used for unallowable purposes. As a result, we recommend OJP ensure CFS develops, implements, and adheres to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.

Grant Financial Management

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. To assess CFS's financial management of the grants covered by this audit, we conducted interviews with financial staff, examined CFS's policies and procedures for grants management, and inspected grant documents to determine whether CFS adequately safeguarded the grant funds we audited. We also reviewed CFS's 2022 Single Audit Report to identify reported internal control weaknesses and significant non-compliance issues related to federal awards.³ Finally, we performed testing in the areas that were relevant for the management of the audited grants as discussed throughout this report. Based on our review, we did not identify significant concerns related to grant financial management. However, we found that there was a lack of written policies and procedures in areas of drawdowns and federal financial reports.

Grant Expenditures

For Grant Numbers 2018-V3-GX-0059, 2020-V3-GX-0156, and 2020-YS-BX-0091, CFS's approved budgets included payroll, fringe benefits, indirect costs, other direct costs, travel, and supplies. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of transactions in the payroll and fringe benefits, other direct

³ Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1996, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. Under the Uniform Guidance, such entities that expend \$750,000 or more in federal funds within the entity's fiscal year must have a "single audit" performed annually covering all federal funds expended that year.

costs, and indirect cost categories.⁴ We reviewed documentation, accounting records, and performed verification testing related to these grant expenditures. Based on this testing, we did not identify significant deficiencies with the sampled transactions.

Payroll and Fringe Benefit Costs

During the grant periods, CFS grant-funded employees included full-time and part-time staff members. Full-time staff positions for Grant Numbers 2018-V3-GX-0059 and 2020-V3-GX-0156 included an Assistant Vice President of Trauma and Violence Prevention, Program Coordinator, Counselor, and Administrative Assistant. Two part-time employees included a Clinical Supervisor and Counselor. The full-time employees funded under Grant Number 2020-YS-BX-0091, included an Associate Vice President, Coordinator of Professional Education, Project Coordinator, and Trainer. We reviewed a judgmental sample totaling \$131,747 of the total \$1,025,182 (13 percent) charged for payroll and fringe benefits associated with the three audited grants.

Based on our testing, we found these costs were allowable, allocable, and supported by time and effort reports and payroll registers. Additionally, we found these costs were reasonable based on our review of program budgets and project narratives.

Indirect Costs

Indirect costs are costs of an organization that are not readily assignable to a particular project but are necessary to the operation of the organization and the performance of the project. CFS's OJP-approved grant budgets included indirect costs of 10.8 and 10.5 percent of the total award amounts for Grant Numbers 2018-V3-GX-0059 and 2020-V3-GX-0156, respectively. CFS's OJP-approved grant budget for Grant Number 2020-YS-BX-0091 included indirect costs of 10.5 percent of the award amount. CFS's grant applications noted that these rates had been approved by a federal authority. During the grants, CFS charged indirect costs in line with these established rates. We compared the amount of indirect costs charged for all three grants to the accounting records and found no issues with CFS's methodology used to charge indirect costs to the grants.

Other Direct Costs

Other direct costs for Grant Numbers 2018-V3-GX-0059 and 2020-V3-GX-0156 included mileage reimbursement, office space, recruitment fees, outreach materials, client assistance, cell phones for three employees, and staff development and training. Other direct costs for Grant Number 2020-YS-BX-0091 included outreach materials, office space, training and curriculum, general liability insurance, cell phones for two employees, and mileage. We reviewed a judgmental sample of \$39,807 of the total \$144,577 (28 percent) of all other direct costs. Based on our testing, we found that these costs were allowable. Additionally, based on our review of program budgets and project narratives, we found these costs were reasonable and necessary.

⁴ We applied a risk-based approach for sampling and determined that we would not test travel and supply expenditures because they were immaterial.

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 Award Modification 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 grant expenditures to the approved budgets to determine whether CFS transferred funds among budget categories in excess of 10 percent. 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. As of February 21, 2024, the total drawdowns for Grant Numbers 2018-V3-GX-0059, 2020-V3-GX-0156, and 2020-YS-BX-0091 were \$432,347, \$320,768, and \$387,120, respectively, for a total of \$1,140,235 for all three awards.⁵ To assess whether CFS managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records for each award. We determined that the total drawdowns for each award did not exceed expenditures as recorded in the accounting system for each award and drawdowns were sought on a reimbursement basis. According to CFS officials, it requested drawdowns quarterly, after its federal financial reports were submitted to and approved by OJP.

The DOJ Grants Financial Guide also states award recipients should develop written procedures for cash management of funds to ensure that federal cash on hand is kept at or near zero. During the audit, we did not identify significant deficiencies related to CFS's process for developing drawdown requests as the drawdowns were made on a reimbursement basis. However, we found that CFS did not have written drawdown policies and procedures ensuring that it complied with federal award requirements. We discussed the issue with CFS officials, who agreed that it should develop written policies and procedures to help ensure compliance with the requirements of the DOJ Grants Financial Guide. Therefore, we recommend that OJP require CFS to develop and implement policies and procedures to ensure drawdowns are accurate and supported by accounting records.

⁵ Regarding grant number 2018-V3-GX-0059, CFS officials stated that they have expended the full award amount on grant related activities but have not drawn down the remaining grant funds of \$317,653 because access has been on hold due to OJP's "pending programmatic closeout." OJP confirmed that the account was put on hold pending the outcome of our audit and CFS will be able to drawdown any remaining allowable funds when the hold is removed.

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 CFS submitted accurate federal financial reports, we compared the most recent report, for the period ending June 30, 2023, to CFS's accounting records for each of the three grants. While we determined that quarterly and cumulative expenditures for the reports reviewed matched the accounting records, we found that CFS lacked written policies and procedures for completing and submitting federal financial reports. CFS officials acknowledged the need for policies and procedures and stated they would work on developing them. By not having adequate policies and procedures in place, CFS cannot be assured of the accuracy of its federal financial reports in the future. As a result, we recommend that OJP require CFS to develop written policies and procedures for the completion and submission of federal financial reports.

Conclusion and Recommendations

As a result of our audit testing, we found that while CFS was able to demonstrate progress towards achieving its grant-related goals and objectives, it did not effectively track its reported accomplishments and we could not verify the number of participants it served. Further, we found that CFS's progress reports were not accurate or adequately supported and CFS did not have written policies and procedures to ensure accurate reporting. Additionally, CFS lacked written policies and procedures for ensuring accurate and appropriate drawdown activity and financial reporting. Finally, we did not identify significant issues regarding CFS's management of the grant budget and grant expenditures. As a result of our audit, we provide four recommendations to OJP to address the identified deficiencies.

We recommend that OJP:

1. Ensure CFS develops, implements, and adheres to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.
2. Ensure CFS develops, implements, and adheres to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.
3. Require CFS to develop and implement policies and procedures to ensure drawdowns are accurate and supported by accounting records.
4. Require CFS to develop written policies and procedures for the completion and submission of federal financial reports.

APPENDIX 1: Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; and to determine whether the Center for Family Services, Inc. (CFS), 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 Office of Justice Programs (OJP) grants awarded to CFS under the Office of Victims of Crime (OVC) Enhancing Community Responses to the Opioid Crisis and Enhancing Community Responses to America's Addiction Crisis for Grant Numbers 2018-V3-GX-0059 and 2020-V3-BX-0156 for a total amount of \$1,450,000 and the Bureau of Justice Assistance (BJA) STOP School Violence for Grant Number 2020-YS-BX-0091 in the amount of \$750,000. Our audit concentrated on, but was not limited to, the period of February 2019 through September 2023. As of February 21, 2024, CFS had drawn down \$1,140,235 of the total grant funds awarded.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of CFS' activities related to the audited grants. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, other direct costs, indirect costs expenditures, financial reports, and progress reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The DOJ Grants Financial Guide; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the award documents contain the primary criteria we applied during the audit.

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

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 CFS to provide assurance on its internal control structure as a whole. CFS's 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 CFS's internal control structure as a whole, we offer this statement solely for the information and use of the CFS and OJP.⁶

We assessed CFS management's design, implementation, and operating effectiveness of these internal controls and identified deficiencies that we believe could affect CFS's ability to effectively operate, to correctively state financial and performance information, and to ensure compliance with laws and regulations. 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.

⁶ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: Center For Family Services, Inc. Response to the Draft Audit Report



July 31, 2024

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

Dear Mr. Puerzer:

Center For Family Services, Inc. has received and reviewed the Audit of the Office of Justice Programs Grants Awarded to the Center For Family Services draft audit report. We agree with the audit report and would like to respond to the recommendations from OJP:

1. Recommendation: Ensure CFS develops, implements, and adheres to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.
 - a. Response: CFS is currently in the process of writing the appropriate policies and procedures that will help ensure program performance is monitored and the appropriate records and documentation is maintained.
2. Recommendation: Ensure CFS develops, implements, and adheres to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.
 - a. Response: CFS is currently in the process of writing the appropriate policies and procedures that will help ensure progress reports are accurate and reported data is valid and reliable.
3. Recommendation: Require CFS to develop and implement policies and procedures to ensure drawdowns are accurate and supported by accounting records:
 - a. Response: CFS is currently in the process of writing the appropriate policies and procedures that will detail the drawdown process to ensure drawdowns are timely, accurate, and supported by accounting records
4. Recommendation: Require CFS to develop written policies and procedures for the completion and submission of federal finance reports.
 - a. Response: CFS is currently in the process of writing the appropriate policies and procedures that will provide line by line instructions for completing the federal financial reports and the appropriate process and timing of submission.

Sincerely,

A handwritten signature in blue ink that reads "Richard Stagliano".

Richard Stagliano, CEO

APPENDIX 3: Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

August 8, 2024

MEMORANDUM TO: Thomas O. Puerzer
Regional Audit Manager
Philadelphia 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 Grants Awarded to the Center for Family Services, Inc., Camden, New Jersey*

This memorandum is in reference to your correspondence, dated July 9, 2024, transmitting the above-referenced draft audit report for the Center for Family Services, Inc. (CFS). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **four** recommendations and **no** questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations directed to OJP are restated in bold and are followed by OJP's response.

- 1. We recommend that OJP ensure the CFS develops, implements, and adheres to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.**

OJP agrees with the recommendation. In its response, dated July 31, 2024, the CFS stated that it is currently in the process of writing the appropriate policies and procedures, that will help ensure program performance is monitored, and the appropriate records and documentation are maintained.

Accordingly, we will coordinate with the CFS to obtain a copy of written policies and procedures, developed and implemented, to ensure that program performance is adequately monitored, and records are maintained to reflect accomplishments towards achieving award goals and objectives.

2. **We recommend that OJP ensure the CFS develops, implements, and adheres to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.**

OJP agrees with the recommendation. In its response, dated July 31, 2024, the CFS stated that it is currently in the process of writing the appropriate policies and procedures, that will help ensure progress reports are accurate, and reported data is valid and reliable.

Accordingly, we will coordinate with the CFS obtain a copy of written policies and procedures, developed and implemented, to ensure progress reports are accurately prepared, and reported data is valid and reliable; and the supporting documentation is maintained for future auditing purposes.

3. **We recommend that OJP require the CFS to develop and implement policies and procedures to ensure drawdowns are accurate and supported by accounting records.**

OJP agrees with the recommendation. In its response, July 31, 2024, the CFS stated that it is currently in the process of writing the appropriate policies and procedures, that will detail the drawdown process to ensure drawdowns are timely, accurate, and supported by accounting records.

Accordingly, we will coordinate with the CFS obtain a copy of written policies and procedures, developed and implemented, to ensure that drawdowns of grant funds are timely, accurate, based on actual expenditures incurred, and supported by accounting records; and the supporting documentation is maintained for future auditing purposes.

4. **We recommend that OJP require the CFS to develop written policies and procedures for the completion and submission of federal financial reports.**

OJP agrees with the recommendation. In its response, July 31, 2024, the CFS stated that it is currently in the process of writing the appropriate policies and procedures, that will provide line-by-line instructions for completing the federal financial reports, and the appropriate process and timing of submission.

Accordingly, we will coordinate with the CFS obtain a copy of written policies and procedures, developed and implemented, to ensure that Federal Financial Reports are properly completed and timely submitted; and the supporting documentation is maintained for future auditing purposes.

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.

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Control Number OCOM001020

APPENDIX 4: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The U.S. Department of Justice Office of the Inspector General (OIG) provided a draft of this audit report to the Center for Family Services, Inc. (CFS), and the Office of Justice Programs (OJP). CFS's response is incorporated in Appendix 2 and OJP's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. In its response, CFS agreed with the report and described actions it is taking in response to the recommendations but did not specifically state whether it agreed or disagreed with each of the recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for OJP:

- 1. Ensure CFS develops, implements, and adheres to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with CFS to obtain a copy of written policies and procedures, developed and implemented, to ensure that program performance is adequately monitored, and records are maintained to reflect accomplishments towards achieving award goals and objectives. As a result, this recommendation is resolved.

CFS agreed with our report. In its response, CFS stated that it is currently in the process of writing the policies and procedures that will help ensure program performance is monitored and the appropriate records and documentation are maintained.

This recommendation can be closed when we receive documentation demonstrating that CFS developed, implemented, and adhered to policies and procedures that ensure program performance is monitored and records are maintained that demonstrate accomplishments towards achieving award goals and objectives.

- 2. Ensure CFS develops, implements, and adheres to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with CFS and obtain a copy of written policies and procedures, developed and implemented, to ensure progress reports are accurately prepared, reported data is valid and reliable, and supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

CFS agreed with our report. In its response, CFS stated that it is currently in the process of writing the appropriate policies and procedures that will help ensure progress reports are accurate and reported data is valid and reliable.

This recommendation can be closed when we receive documentation that CFS developed, implemented, and adhered to written policies and procedures to ensure progress reports are accurate and reported data is valid and reliable.

3. Require CFS to develop and implement policies and procedures to ensure drawdowns are accurate and supported by accounting records.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with CFS and obtain a copy of written policies and procedures, developed and implemented, to ensure that drawdowns of grant funds are timely, accurate, based on actual expenditures incurred, and supported by accounting records; and the supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

CFS agreed with our report. In its response, CFS stated that it is currently in the process of writing the appropriate policies and procedures that will detail the drawdown process to ensure drawdowns are timely, accurate, and supported by accounting records.

This recommendation can be closed when we receive documentation that CFS developed and implemented policies and procedures to ensure drawdowns are accurate and supported by accounting records.

4. Require CFS to develop written policies and procedures for the completion and submission of federal financial reports.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with CFS to obtain a copy of written policies and procedures, developed and implemented, to ensure that federal financial reports are properly completed and timely submitted; and the supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

CFS agreed with our report. In its response, CFS stated that it is currently in the process of writing the appropriate policies and procedures that will provide line-by-line instructions for completing the federal financial reports and the appropriate process and timing of submission.

This recommendation can be closed when we receive documentation that CFS developed written policies and procedures for the completion and submission of federal financial reports.