



**AUDIT OF THE OFFICE ON VIOLENCE AGAINST
WOMEN AND OFFICE OF JUSTICE PROGRAMS
GRANTS AWARDED TO THE OMAHA NATION
COMMUNITY RESPONSE TEAM
WALTHILL, NEBRASKA**

U.S. DEPARTMENT OF JUSTICE
OFFICE OF THE INSPECTOR GENERAL
AUDIT DIVISION

AUDIT REPORT GR-60-12-012
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EXECUTIVE SUMMARY*

The Department of Justice, Office of the Inspector General, Audit Division, has completed an audit of three grants totaling \$698,664 awarded to the Omaha Nation Community Response Team (ONCRT). The individual amounts and awarding agencies are shown in Exhibit 1.

**EXHIBIT 1: GRANTS AWARDED TO THE OMAHA NATION COMMUNITY
RESPONSE TEAM**

AWARDING AGENCY	AWARD NUMBER	AWARD DATE	PROJECT END DATE	AMOUNT
Office on Violence Against Women	2007-TW-AX-0062	08/28/2007	02/28/2011	\$398,664
Office of Justice Programs	2008-IP-BX-0003	08/20/2008	05/28/2010	150,000
Office of Justice Programs	2009-IP-BX-0070	09/23/2009	12/31/2010	150,000
Total:				\$698,664

Source: The Office of Justice Programs' Grant Management System

The two awarding agencies provided funding to the ONCRT in order to facilitate progress towards different goals. The purpose of the Office on Violence Against Women (OVW) award is to develop and strengthen effective responses to violence against women, and the purpose of the Office of Justice Programs (OJP) awards is to assist tribes in developing strategies to cost effectively plan facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction.

The OVW provides national leadership in developing the nation's capacity to reduce violence against women through the implementation of the Violence Against Women Act. Created in 1995, the OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic

* The full version of this report contains information that may be protected by the Privacy Act of 1974, 5 U.S.C. §552(a) or may implicate the privacy rights of identified individuals. Therefore, the Office of the Inspector General redacted portions of the full report to create this public version of the report.

violence, dating violence, sexual assault, and stalking. By forging state, local, and tribal partnerships among police, prosecutors, victim advocates, health care providers, faith leaders, and others, OVW grant programs help provide victims with the protection and services they need to pursue safe and healthy lives, while simultaneously enabling communities to hold offenders accountable for their violence.

The ONCRT received OVW funding under the Fiscal Year 2007 Violence Against Women Grants to Indian Tribal Governments (Tribal Governments Program). The Tribal Governments Program was created under Title IX of the Violence Against Women Act of 2005, and is designed to fulfill the following goals: (1) to decrease the number of violent crimes committed against Indian women; (2) to help Indian tribes use their independent authority to respond to crimes of violence against Indian women; and (3) to make sure that people who commit violent crimes against Indian women are held accountable for their criminal behavior.

OJP provides leadership to federal, state, local, and tribal justice systems by disseminating state-of-the-art knowledge and practices across America, and by providing grants for the implementation of crime fighting strategies. The OJP awards in this audit are associated with the Bureau of Justice Assistance (BJA), which provides leadership and assistance to local criminal justice programs that improve and reinforce the nation's criminal justice system. BJA's goals are to reduce and prevent crime, violence, and drug abuse, and to improve the way in which the criminal justice system functions.

The ONCRT received OJP funding under the Correctional Facilities on Tribal Lands Program (CFTLP), which assists tribes in developing strategies to cost effectively plan facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction. This careful planning is critical to ensure that correctional facilities, when completed, are appropriately designed for the intended population, supportive of cultural and traditional values, safe and secure when completed, and in compliance with Bureau of Indian Affairs' standards regarding correction operations, programs, and design.

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards, and to determine program performance and accomplishments. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) grant drawdowns; (3) grant expenditures, including personnel costs; (4) budget management

and control; (5) matching costs; (6) grant reporting; (7) accomplishment of grant requirements and objectives; and (8) monitoring contractors. We determined that indirect costs, program income, and accountable property were not applicable to these grants.

As of September 8, 2010, the ONCRT had been reimbursed \$518,628 of the \$698,664 awarded under the three grants in our audit. We examined the ONCRT's accounting records, budget documents, financial and progress reports, and operating policies and procedures and found that the ONCRT:

- Made a drawdown totaling \$9,214 from Grant Number 2007-TW-AX-0062 that was intended for Grant Number 2008-IP-BX-0003. This drawdown was only identified and rectified as a result of this audit.
- Approved consultant payments from OJP Grant Numbers 2008-IP-BX-0003 and 2009-IP-BX-0070 at a rate exceeding the \$450 per day allowable by OJP.
- Entered into a contact that was not competitively bid as required by the Special Conditions of the award, resulting in \$52,541 in unallowable contractor costs.
- Submitted inaccurate financial reports in 8 of the 12 reporting periods we reviewed.
- Submitted late financial reports in 3 of the 12 periods we reviewed.
- Submitted late Semi-Annual Progress Reports in 4 of the 10 periods we reviewed.

Our report contains nine recommendations that are discussed in detail in the Findings and Recommendations section. Our audit objectives, scope, and methodology appear in Appendix I of the report.

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INTRODUCTION

The Department of Justice (DOJ), Office of the Inspector General, Audit Division, has completed an audit of Grant Numbers 2007-TW-AX-0062, 2008-IP-BX-0003, and 2009-IP-BX-0070 totaling \$698,664, awarded to the Omaha Nation Community Response Team (ONCRT). The award dates and individual amounts are shown in Exhibit 1.

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Total:				\$698,664

Source: The Office of Justice Programs' Grant Management System

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards, and to determine program performance and accomplishments. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) grant drawdowns; (3) grant expenditures, including personnel costs; (4) budget management and control; (5) matching costs; (6) grant reporting; (7) accomplishment of grant requirements and objectives; and (8) monitoring contractors. We determined that indirect costs, accountable property, and program income were not applicable to these grants.

Background

The two awarding agencies provided funding to the ONCRT in order to facilitate progress towards different goals. The purpose of the Office on Violence Against Women (OVW) award is to develop and strengthen effective responses to violence against women, and the purpose of the Office of

Justice Programs (OJP) awards is to assist tribes in developing strategies to cost effectively plan facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction.

Program Background

The OVW provides leadership in developing the nation's capacity to reduce violence against women through the implementation of the Violence Against Women Act. Created in 1995, the OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking. By forging state, local, and tribal partnerships among police, prosecutors, victim advocates, health care providers, faith leaders, and others, OVW grant programs help provide victims with the protection and services they need to pursue safe and healthy lives, while simultaneously enabling communities to hold offenders accountable for their violence.

The ONCRT received OVW funding under the Fiscal Year 2007 Violence Against Women Grants to Indian Tribal Governments (Tribal Governments Program). The Tribal Governments Program was created under Title IX of the Violence Against Women Act of 2005, and is designed to fulfill the following goals: (1) to decrease the number of violent crimes committed against Indian women; (2) to help Indian tribes use their independent authority to respond to crimes of violence against Indian women; and (3) to make sure that people who commit violent crimes against Indian women are held accountable for their criminal behavior.

OJP provides leadership to federal, state, local, and tribal justice systems by disseminating state-of-the-art knowledge and practices across America, and by providing grants for the implementation of crime fighting strategies. The OJP awards in this audit are funded through the Bureau of Justice Assistance (BJA), which provides leadership and assistance to local criminal justice programs that improve and reinforce the nation's criminal justice system. BJA's goals are to reduce and prevent crime, violence, and drug abuse, and to improve the way in which the criminal justice system functions.

The OJP grants in this audit were awarded under the Correctional Facilities on Tribal Lands Program (CFTLP), which assists tribes in developing strategies to cost effectively plan facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction. This careful planning is critical to ensure that correctional facilities, when completed, are appropriately designed for the intended

population, supportive of cultural and traditional values, safe and secure, and in compliance with Bureau of Indian Affairs' standards regarding correction operations, programs, and design.

The Omaha Nation Community Response Team

The ONCRT, located in Walthill, Nebraska, is a private, non-profit organization that serves the residents of the Omaha Reservation in northeastern Nebraska. As a community-based organization, the ONCRT strives to provide quality prevention, intervention, and community mobilization services and activities, emphasizing the inclusion of Omaha culture as the primary protective factor in bringing about positive changes in the community. The ONCRT works at the grassroots level, creating partnerships with tribal programs, the State of Nebraska, local organizations, and community stakeholders concerning a variety of youth issues.

OIG Audit Approach

We tested compliance with what we consider to be the most important conditions of the grant. Unless otherwise stated in this report, the criteria we audit against are contained in the *OJP Financial Guide* and the award documents.

In conducting this audit, we performed testing in five areas: drawdowns, grant expenditures, payroll, fringe benefits, and match requirements. In addition, we reviewed the timeliness and accuracy of grant reporting, evaluated performance to grant objectives, evaluated the grantee's monitoring of contractors, and reviewed the organization's internal controls.

Our audit objectives, scope and methodology are discussed in Appendix I.

FINDINGS AND RECOMMENDATIONS

As of September 8, 2010, the ONCRT had been reimbursed \$518,628 of the \$698,664 awarded under the three grants in this audit. We examined the ONCRT's accounting records, budget documents, financial and progress reports, and operating policies and procedures. We found that the ONCRT's system of internal controls did not allow for the timely identification of an inaccurate drawdown, resulting in a grant being closed with funds available for reimbursement of expenditures; a consultant was being paid at a rate exceeding the maximum allowable by the granting agency, resulting in \$1,481 in questioned costs; a contract had been awarded non-competitively, resulting in \$52,541 in unallowable costs; financial reporting was not consistently accurate; financial reporting was not consistently submitted in a timely manner, and; progress reports were not consistently submitted in a timely manner.

Internal Control Environment

We reviewed the ONCRT's financial management system, policies and procedures, and single audit reports to assess the risk of noncompliance to laws, regulations, guidelines, and the terms and conditions of the grants. We also interviewed the Program Directors and Financial Director to further assess risk.

Single Audit

Pursuant to the Office of Management and Budget (OMB) Circular A-133, the ONCRT is required to perform a Single Audit annually. We reviewed all Single Audits from 2007 – 2009 and identified the following issues:

- No ONCRT employee has the knowledge to prepare Generally Accepted Accounting Principles (GAAP) financial statements with complete footnote disclosures.
- When participants are referred to the program, forms verifying the participant's eligibility are not consistently completed.

The ONCRT's auditor recommended that additional training be provided to the Finance Officer, and we confirmed that training has been ongoing. We do not take further issue with this Single Audit finding. Regarding the second finding, the auditor noted that a retroactive review of the files lacking complete documentation revealed that all victims who had

received services were found to be eligible under the terms of the program. The ONCRT responded to the finding by noting that intake forms are now required for all participants. Our review of victim files confirmed that the intake forms are currently in use, and we do not take further issue with this Single Audit finding.

Drawdowns

According to ONCRT officials, drawdowns are made on a reimbursement basis. To meet minimum cash on hand requirements, the *OJP Financial Guide* requires recipients to time drawdown requests in order to ensure that Federal cash on hand is the minimum needed for disbursements or reimbursements to be made immediately or within ten days. To determine if drawdowns were supported, we compared the drawdown requests to the accounting records for each grant. We also compared the total expenditures per the accounting records for each grant with the total drawdowns for the grant.

In our initial analysis of drawdowns, we found that OJP Grant Number 2008-IP-BX-0003 had reached its end date with a remaining balance of \$9,214. We inquired as to the reason for the remainder, but ONCRT officials had been previously unaware of the existing balance. While conducting our detailed analysis of drawdowns for all awards, we identified a draw for an amount identical to the OJP balance that had been made against OVW Grant Number 2007-TW-AX-0062 on December 16, 2008. ONCRT officials confirmed that this draw was intended for OJP Grant Number 2008-IP-BX-0003. In our drawdown analysis, we also noted that the erroneous draw resulted in the ONCRT being consistently overdrawn on the OVW award, and underdrawn on the 2008 OJP award, by this approximate amount.

The *OJP Financial Guide* requires all recipients to establish and maintain adequate accounting systems and financial records to accurately account for funds awarded to them. For discretionary awards, all recipients should establish and maintain program accounts which will enable, on an individual basis, separate identification and accounting for the receipt and disposition of all funds. Additionally, the *OJP Financial Guide* requires that the final financial report must have no unliquidated obligations and must indicate the exact balance of unobligated funds, and warns that any unobligated or unexpended funds will be deobligated from the award amount by the awarding agency. The remaining funds related to OJP Grant Number 2008-IP-BX-0003 have been placed on hold with the Office of the Chief Financial Officer and are not currently available for drawdown by the ONCRT. We recommend that the ONCRT establish procedures to prevent future

inaccurate draws, and to ensure that errors in the accounting records are identified and rectified in a timely manner to avoid inaccurate reporting and the potential loss of funds.

We identified only four drawdowns against OJP Grant Number 2009-IP-BX-0070, all of which were supported by the grantee's accounting records. Our detailed analysis of drawdowns for OVW Grant Number 2007-TW-AX-0062 and OJP Grant Number 2008-IP-BX-0003 can be found in Appendix II.

Grant Expenditures

The *OJP Financial Guide* requires that costs claimed under the grants be reasonable, allocable, necessary to the project, and in compliance with funding statute requirements. To determine compliance with these criteria, and to verify that costs claimed were adequately supported, we performed testing of expenditures related to direct costs, personnel costs, and fringe costs.

Direct Costs

We judgmentally selected 100 direct cost transactions totaling \$148,078 for review. We found that the majority of transactions we tested were generally supported and allowable. However, we identified one consultant who has received payment from both OJP Grant Numbers 2008-IP-BX-0003 and 2009-IP-BX-0070 at a rate exceeding that which is allowable by OJP. Both the Special Conditions in the OJP award documentation and the *OJP Financial Guide* require that grantees obtain written approval from the awarding agency program office in order to pay a consultant at a rate exceeding \$450 per 8 hour day, or \$56.25 per hour. We calculated the amount which was allowable and the amount which was actually paid to the consultant, resulting in the identification of unallowable questioned costs totaling \$1,481. A summary of these costs can be found in Exhibit 2.

EXHIBIT 2: UNALLOWABLE PAYMENTS TO ONCRT CONSULTANTS

AWARD NUMBER	INVOICE DATE	AMOUNT ALLOWABLE	AMOUNT PAID	DIFFERENCE
2008-IP-BX-0003	02/22/2010	\$ 450	\$ 600	\$150
2008-IP-BX-0003	04/30/2010	\$1,125	\$1,500	\$375
2009-IP-BX-0070	03/26/2010	\$ 900	\$1,200	\$300
2009-IP-BX-0070	05/31/2010	\$ 844	\$1,125	\$281
2009-IP-BX-0070	07/06/2010	\$ 450	\$ 600	\$150
2009-IP-BX-0070	08/02/2010	\$ 675	\$ 900	\$225
Total amount questioned:				\$1,481

Source: OJP award documentation; ONCRT accounting records

Personnel Costs

To verify the reasonableness, accuracy, and completeness of salary and fringe benefit transactions charged to the grants, we conducted payroll testing by judgmentally selecting two non-consecutive pay periods which included grant-funded personnel expenditures. We compared the positions paid to those which had been approved by either the OVW or OJP during the application and award process, and verified that the amounts paid were adequately supported by timesheets. We found that the positions being paid by the ONCRT were generally allowable and supported.

Contractor Costs

We reviewed contractor expenses to determine compliance with OVW and OJP requirements. In each award application, the ONCRT included a budget narrative for OVW or OJP approval which identified the contractors to be paid using grant funds. To determine allowability for contracted expenses, we first reviewed the ONCRT's budget narratives for each award to identify a list of approved contractors. We then compared this list to the grantee's accounting records for the grants in order to identify any unapproved contractors being paid with federal funds.

Though the contractor invoices we reviewed while testing direct costs were generally supported, we identified one contract awarded under Grant Number 2008-IP-BX-0070 that was not made in a competitive manner. The Special Conditions included in the award documentation require that all contracts be competitively awarded unless circumstances preclude competition. We were notified of no such circumstances, and therefore we question \$52,541, the total amount paid to the contractor, as unallowable. We recommend that the OJP remedy the \$52,541 in unallowable contractor costs and ensure that all future contracts are awarded competitively as required by the Special Conditions of the award.

Budget Management and Control

According to the *OJP Financial Guide*, a grantee may transfer funds between approved budget categories without OJP approval if the total transfers are 10 percent or less of the total award amount and there is no change in project scope. Using the accounting records provided by ONCRT officials, we compared the amounts charged to each budget category per the accounting records to the approved budgets for each award. At the time of this audit, only OJP Grant Number 2008-IP-BX-0003 had reached its end date. We determined that spending for this award had not exceeded the 10 percent threshold of allowability. We also conducted budget analysis on the two remaining awards, and determined that the ONCRT had not yet exceeded the 10 percent threshold. However, we noted ongoing overages in the Equipment and Contracts categories for OVW Grant Number 2007-TW-AX-0062, and we identified the potential to go over budget in the Personnel and Fringe categories for Grant Number 2009-IP-BX-0070. Since the awards were open at the time of our analysis, and since none of the overages had exceeded the allowable threshold of 10 percent of the total award amount, we make no formal recommendation at this time. However, we notified ONCRT officials of their responsibility to obtain pre-approval from the awarding agency should the total cumulative transfers constitute 10 percent or more of the total award amount.

Matching Costs

We determined that OJP Grant Number 2008-IP-BX-0003 required a match in the amount of \$16,666 and OJP Grant Number 2009-IP-BX-0070 requires a match in the amount of \$16,667 from the ONCRT in the form of volunteer time contributions. To document expenditures that are eligible to be reported as match, ONCRT officials utilize an in-kind form that designates the volunteer as youth, community member, para-professional, professional, or facilitator, and assigns a pay rate commensurate with level of education or skill. We sampled 10 transactions related to the match contribution and determined that those contributions were supported and allowable.

Grant Reporting

We reviewed the financial reports and progress reports required for the three awards. We found that the financial reports were generally submitted in a timely manner; however, we also found that these reports were not consistently accurate. Additionally, we found that progress reports, while generally accurate, were not consistently timely.

Financial Status Reports

According to the *OJP Financial Guide*, the ONCRT is required to submit quarterly financial reports for the life of all awards. We reviewed the 4 most recent Financial Status Reports (FSR) or Federal Financial Reports (FFR) submitted for each award in our audit and found that 3 of the 12 reports had been submitted late, as shown in Exhibit 3.

EXHIBIT 3: FINANCIAL STATUS REPORT TIMELINESS

FSR NO.	REPORTING PERIOD	DATE DUE	DATE SUBMITTED	DAYS LATE
2007-TW-AX-0062				
9	07/01/09 - 09/30/09	11/14/2009	10/23/2009	0
10	10/01/09 - 12/31/09	01/30/2010	02/02/2010	3
11	01/01/10 - 03/31/10	04/30/2010	04/30/2010	0
12	04/01/10 - 06/30/10	07/30/2010	07/22/2010	0
2008-IP-BX-0003				
6	07/01/09 - 09/30/09	11/14/2009	10/23/2009	0
7	10/01/09 - 12/31/09	01/30/2010	01/22/2010	0
8	01/01/10 - 03/31/10	04/30/2010	04/30/2010	0
9	04/01/10 - 05/28/10	08/26/2010	08/27/2010	1
2009-IP-BX-0070				
1	07/01/09 - 09/30/09	11/14/2009	11/18/2009	4
2	10/01/09 - 12/31/09	01/30/2010	01/22/2010	0
3	01/01/10 - 03/31/10	04/30/2010	04/30/2010	0
4	04/01/10 - 06/30/10	07/30/2010	07/27/2010	0

Source: Office of Justice Programs' Grant Management System; *OJP Financial Guide*

Prior to October 1, 2009, the *OJP Financial Guide* required the reports, referred to at that time as FSRs, be submitted within 45 days after the end of each calendar quarter. As of October 1, 2009, OJP requires that the reports, now referred to as FFRs, be submitted within 30 days after the end of the calendar quarter. Final reports of either kind are due within 90 days after the end of the grant period. Grant recipients who do not submit financial reports by the due date may not be permitted to draw down funds. Since the period we reviewed identified three late reports, we reviewed all Grant Adjustment Notices (GAN) that had been submitted as of September 8, 2010, and identified a total of eight instances in which a GAN was issued notifying the ONCRT that funds were placed on hold due to delinquent financial reporting. Four of these instances were due to delinquent reporting for Grant Number 2007-TW-AX-0062, three for Grant Number 2008-IP-BX-0003, and one for Grant Number 2009-IP-BX-0070. We recommend that the ONCRT establish internal policy to ensure that all future financial reporting is submitted within the timeframe required by the *OJP Financial Guide*.

For each grant, we also reviewed the four most recent FSRs or FFRs for accuracy. We noted that 8 of the 12 reports we reviewed were not accurate for the reporting period; four of these reports were inaccurate by amounts exceeding \$1,000. We also noted an ongoing cumulative difference relevant to OVW Grant Number 2007-TW-AX-0062. Our detailed analysis can be found in Exhibit 4.

EXHIBIT 4: FINANCIAL STATUS REPORT ACCURACY¹

FSR NO.	END DATE	EXPENDITURES PER ACCOUNTING RECORDS FOR REPORTING PERIOD	EXPENDITURES REPORTED ON FSR FOR REPORTING PERIOD	REPORTING PERIOD DIFFERENCE	CUMULATIVE EXPENSES PER FSR	CUMULATIVE EXPENSES PER ACCOUNTING RECORDS	CUMULATIVE DIFFERENCE
OVW Grant No. 2007-TW-AX-0062							
9	09/30/09	\$ 25,816	\$ 27,477	(\$ 1,661)	\$ 205,072	\$ 210,258	\$ 5,186
10	12/31/09	\$ 29,002	\$ 30,442	(\$ 1,440)	\$ 235,514	\$ 239,260	\$ 3,746
11	03/31/10	\$ 27,036	\$ 25,506	(\$ 1,530)	\$ 261,020	\$ 266,296	\$ 5,276
12	06/30/10	\$ 41,326	\$ 41,274	(\$ 52)	\$ 302,294	\$ 307,622	\$ 5,328
OJP Grant No. 2008-IP-BX-0003							
6	09/30/09	\$ 16,487	\$ 19,365	(\$ 2,878)	\$ 95,676	\$ 95,804	\$ 128
7	12/31/10	\$ 31,952	\$ 32,079	(\$ 128)	\$ 127,755	\$ 127,755	-
8	03/31/10	\$ 1,527	\$ 1,527	-	\$ 129,282	\$ 129,282	-
9	05/28/10	\$ 20,718	\$ 20,718	-	\$ 150,000	\$ 150,000	-
OJP Grant No. 2009-IP-BX-0070							
1	09/30/09	-	-	-	-	-	-
2	12/31/09	\$ 787	\$ 787	-	\$ 787	\$ 787	-
3	03/31/10	\$ 13,845	\$ 13,865	(\$ 19)	\$ 14,652	\$ 14,633	(\$ 19)
4	06/30/10	(\$ 5,210)	(\$ 5,000)	(\$ 210)	\$ 9,652	\$ 9,423	(\$ 229)

Source: Office of Justice Programs' Grant Management System; Grantee accounting records

The *OJP Financial Guide* requires that reports be submitted with accurate and reliable financial data. We recommend that the ONCRT coordinate with the OJP and OVW to establish reliable internal policy to ensure that all future financial reports are submitted accurately.

Categorical Assistance Progress Reports

According to the *OJP Financial Guide*, semi-annual Progress Reports are due on January 30 and July 30 for the life of the grants. We reviewed the last four reports for Grant Numbers 2007-TA-AX-0062 and 2008-IP-BX-0003, and both available reports for 2009-IP-BX-0070. As shown in Exhibit 5, our review concerning Progress Report timeliness revealed that 4 of the 10 most recent progress reports were submitted late. Specifically, three of the four most recent reports to the OVW had been submitted late, and one of the six most recent reports to OJP had been submitted late.

¹ Throughout this report, differences in the total amounts are due to rounding.

EXHIBIT 5: PROGRESS REPORT TIMELINESS

REPORT NO.	END DATE	DATE DUE	DATE SUBMITTED	DAYS LATE
2007-TW-AX-0062				
3	12/31/2008	01/30/2009	02/12/2009	13
4	06/30/2009	07/30/2009	07/01/2009	0
5	12/31/2009	01/30/2010	02/01/2010	2
6	06/30/2010	07/30/2010	08/25/2010	26
2008-IP-BX-0003				
1	12/31/2008	01/30/2009	02/13/2009	14
2	06/30/2009	07/30/2009	07/15/2009	0
3	12/31/2009	01/30/2010	01/22/2010	0
4	06/30/2010	07/30/2010	06/01/2010	0
2009-IP-BX-0070				
1	12/31/2009	01/30/2010	01/22/2010	0
2	06/30/2010	07/30/2010	07/23/2010	0

Source: Office of Justice Programs' Grants Management System; OJP Guide

We inquired with the grantee as to the reason for the late reports. The ONCRT Finance Officer noted that report number one for OJP Grant Number 2008-IP-BX-0003 was late due to communication issues between the grantee and the granting agency during the initial set up of the award. Since the late occurrence was in 2009, and since all subsequent reports were submitted in a timely manner, we make no formal recommendation to OJP regarding Progress Report timeliness.

Regarding the late submissions to the OVW, the ONCRT Finance Director explained that report number three was late due to a gap between program directors; report number five was late due to difficulties uploading the report to OJP's Grants Management System; and, report number six was late due to the fact that the ONCRT was unaware that OVW had granted a requested no-cost extension, leaving ONCRT officials unaware that the deadline for reporting reverted back to 30 days after the end of the reporting period rather than the 90 days a final report would have allowed. The *OJP Financial Guide* requires that progress reports be submitted within 30 days of the end of the reporting period. Since three of the four most recent Progress Reports to the OVW were submitted late, we recommend that the ONCRT coordinate with the OVW and establish internal policy to ensure that all future Progress Reports are submitted in a timely manner to avoid the potential disruption of funding, and to remain compliant with requirements set forth in the *OJP Financial Guide*.

We also reviewed the two most recent Progress Reports for each award to determine the accuracy of the statistical information that had been reported to the OVW and OJP. We determined that the information reported was generally accurate and statistically supported.

Accomplishment of Grant Requirements and Objectives

We reviewed the award documentation for all grants in our audit to determine if there were additional requirements to which the ONCRT must adhere. We also reviewed the awarding agency solicitations, conducted interviews with grantee officials, and gathered input from ONCRT member organizations to determine if the ONCRT is meeting the objectives of each grant program.

As noted in the Background section of this report, the Tribal Governments Program was created under Title IX of the Violence Against Women Act of 2005, and is designed to fulfill the following goals: (1) to decrease the number of violent crimes committed against Indian women; (2) to help Indian tribes use their independent authority to respond to crimes of violence against Indian women; and (3) to make sure that people who commit violent crimes against Indian women are held responsible for their actions. OVW offers eight different activity areas related to the goals above in which grantees may focus their efforts to be eligible for funding under this program. In the award applications, prospective grantees must indicate the planned activities which will address at least one of the activity areas. The ONCRT addressed the following five activity areas in its application:

- Strengthen the tribal criminal justice system's ability to become involved with stopping violence against Indian women.
- Work with the community to create education and prevention campaigns that are designed to inform members of the tribal community about domestic violence, dating violence, sexual assault and stalking programs.
- Provide supervised visitation and safe exchange programs to allow children to visit with their non-custodial parent in cases where one parent has committed an act of domestic violence against the other.
- Provide traditional housing assistance for victims of domestic violence.
- Provide legal advice and representation to victims of domestic violence at reduced or no-cost to the victim.

To meet these goals, ONCRT officials created and distributed flyers, and held trainings and workshops which were open to the public in order to

raise awareness of issues related to domestic violence. Partnerships and collaborations were formed with law enforcement and local legal firms. Housing was made available to victims of domestic violence, and a supervised visitation and safe exchange location was created. We determined that these activities adequately addressed the goals and objectives of the grant, and the specific activities identified by the ONCRT in its award application.

The goal of OJP Grant Number 2008-IP-BX-0003 requires that the ONCRT begin initial planning of a criminal justice complex on the Omaha Reservation, designed to serve as a regional correctional and rehabilitation facility serving the four federally recognized tribes of Nebraska. We obtained copies of the research that had been conducted to progress towards the eventual goal of facility construction, and received no indication that the work conducted by the ONCRT had not adequately addressed the goals of the grant. We also noted that the ONCRT's continued work with the tribal council resulted in the council's decision that it is in the best interest of the Omaha Tribe to continue its partnership with the ONCRT, and that the council has approved of the ONCRT's efforts to engage an architectural firm for pre-design services. This support is critical to the continued implementation of OJP Grant Number 2009-IP-BX-0070, which funds the development of a pre-architectural program and initial concept design, the determination of infrastructure needs, and the feasibility of potential re-use of an existing structure as a foundation for the juvenile detention facility. While conducting our field work, we were provided with a copy of one bid from an architectural firm capable of performing these services, and received no indication that the work proposed was outside the scope of the grant. However, to remain compliant with the terms and conditions of the award, the ONCRT must ensure that this and all other contracts awarded under the OJP grants are made through a competitive bid and award process.

Monitoring of Contractors

From 2007 to present, the ONCRT used contractors to advance the goals and objectives of the awards. According to the *OJP Financial Guide*, direct recipients should ensure that monitoring of organizations under the contract is performed in a manner that will ensure compliance with their overall financial management requirements, and provide reasonable assurance that the recipients administered federal awards in compliance with federal requirements.

We interviewed ONCRT officials to determine if the current monitoring of contractors is adequate. While the ONCRT has no formal policy in place to monitor contractors, officials stated that they work closely with those

contracted to do work on a daily basis. ONCRT officials stated that if the work of any contractor was not effectively helping to achieve the goals and objectives of the grant, it would be apparent to ONCRT officials. We consider this to be a minimally adequate method of monitoring considering the generally small size of the organization and those with which it contracts. However, as a better practice, the ONCRT should implement procedures to periodically evaluate subrecipients and maintain documentation of any concerns.

Conclusion

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, terms and conditions of the grant, and to determine program performance and accomplishments.

As of September 8, 2010, the ONCRT had been reimbursed \$518,628 of the \$698,664 awarded under the three grants in this audit, we performed detailed transaction testing of \$148,078. We also examined the ONCRT's accounting records, budget documents, financial and progress reports, and operating policies and procedures. We found that the ONCRT:

- Made a drawdown totaling \$9,214 from Grant Number 2007-TW-AX-0062 that was intended for Grant Number 2008-IP-BX-0003. This drawdown was only identified and rectified as a result of this audit.
- Approved consultant payments from OJP Grant Numbers 2008-IP-BX-0003 and 2009-IP-BX-0070 at a rate exceeding the \$450 per day allowable by OJP.
- Entered into a contract that was not competitively bid as required by the Special Conditions of the award, resulting in \$52,541 in unallowable contractor costs.
- Submitted inaccurate financial reports in 8 of the 12 reporting periods we reviewed.
- Submitted late financial reports in 3 of the 12 periods we reviewed.
- Submitted late Semi-Annual Progress Reports in 4 of the 10 periods we reviewed.

Recommendations

We recommend that OJP coordinate with the ONCRT to:

1. Ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.
2. Remedy the \$1,481 in unallowable consultant costs, and ensure that consultants are paid at rates which are allowable and approved by OJP.
3. Remedy the \$52,541 in unallowable contractor costs and ensure that all future contracts are awarded competitively as required by the Special Conditions of the award.
4. Ensure that financial reports are submitted accurately.
5. Ensure that financial reports are submitted in a timely manner.

We recommend that OVW coordinate with the ONCRT to:

6. Ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.
7. Ensure that financial reports are submitted accurately.
8. Ensure that financial reports are submitted in a timely manner.
9. Ensure that Progress Reports are submitted in a consistently timely manner.

OBJECTIVES, SCOPE AND METHODOLOGY

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards, and to determine program performance and accomplishments. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) grant drawdowns; (3) grant expenditures, including personnel costs; (4) budget management and control; (5) matching costs; (6) grant reporting; (7) accomplishment of grant requirements and objectives; (8) monitoring contractors; and (9) accountable property. We determined that indirect costs, program income, and accountable property were not applicable to these grants.

Our testing was conducted by judgmentally selecting for analysis a sample of expenditures from the grants we audited and by performing reviews of internal controls and procedures. Judgmental sampling design was applied to obtain broad exposure to numerous facets of the grants reviewed, such as dollar amounts, expenditure category, or risk. This non-statistical sample design does not allow projection of the test results to all grant expenditures of internal controls and procedures.

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. Our audit concentrated on, but was not limited to, the earliest award date of August 28, 2007, through October 1, 2010, the day our field work concluded.

We tested compliance with what we consider to be the most important conditions of the grant. Unless otherwise stated in our report, the criteria we audit against are contained in the *OJP Financial Guide* and the award documents.

In addition, we reviewed the ONCRT's budget management and control, evaluated the timeliness and accuracy of grant reporting, evaluated performance to grant objectives, evaluated the grantee's monitoring of contractors, assessed compliance with the conditions of the awards, and reviewed the organization's internal controls. However, we did not test the reliability of financial management system as a whole since reliance on computer based data was not significant to our objectives.

APPENDIX II

ANALYSIS OF DRAWDOWNS

AWARD 2007-TW-AX-0062

DATE OF DRAWDOWN PER OJP	AMOUNT OF DRAWDOWN PER OJP	CUMULATIVE DRAWDOWNS PER OJP	CUMULATIVE EXPENDITURES PER ACCOUNTING RECORDS	DIFFERENCE
11/06/2007	\$ 4,037	\$ 4,037	\$ 6,879	\$ 2,842
11/09/2007	\$ 5,349	\$ 9,386	\$ 8,000	(\$ 1,387)
12/19/2007	\$ 5,678	\$ 15,065	\$ 13,678	(\$ 1,387)
02/01/2008	\$ 6,437	\$ 21,501	\$ 20,285	(\$ 1,217)
02/21/2008	\$ 4,871	\$ 26,373	\$ 25,066	(\$ 1,306)
04/15/2008	\$ 8,935	\$ 35,307	\$ 35,946	\$ 638
05/21/2008	\$13,880	\$ 49,187	\$ 44,761	(\$ 4,426)
07/22/2008	\$10,364	\$ 59,552	\$ 62,367	\$ 2,815
08/25/2008	\$ 9,145	\$ 68,697	\$ 82,573	\$ 13,876
09/02/2008	\$ 17,447	\$ 86,143	\$ 95,458	\$ 9,315
09/08/2008	\$ 8,681	\$ 94,824	\$ 97,421	\$ 2,597
09/18/2008	\$ 5,226	\$100,050	\$100,926	\$ 876
11/03/2008	\$13,943	\$113,993	\$114,869	\$ 876
11/19/2008	\$ 3,527	\$117,520	\$118,707	\$ 1,186
12/16/2008	\$ 8,136	\$125,386	-	-
12/16/2008	\$ 9,214	\$134,870	\$129,061	(\$ 5,809)
01/02/2009	\$ 5,826	\$140,696	\$135,118	(\$ 5,578)
01/21/2009	\$ 5,936	\$146,632	\$140,694	(\$ 5,938)
02/02/2009	\$ 3,061	\$149,693	\$143,755	(\$ 5,938)
02/05/2009	\$ 4,607	\$154,300	\$145,962	(\$ 8,338)
03/02/2009	\$ 5,101	\$159,401	\$151,828	(\$ 7,572)
04/01/2009	\$ 6,461	\$165,861	\$160,748	(\$ 5,113)
04/06/2009	\$ 4,203	\$170,064	\$161,515	(\$ 8,549)
05/01/2009	\$ 7,304	\$177,369	\$169,884	(\$ 7,485)
06/01/2009	\$ 7,826	\$185,195	\$177,211	(\$ 7,984)
07/01/2009	\$ 5,944	\$191,139	\$184,580	(\$ 6,559)
07/27/2009	\$ 8,447	\$199,586	\$190,718	(\$ 8,868)
08/05/2009	\$ 4,304	\$203,890	\$195,022	(\$ 8,868)
08/21/2009	\$ 3,025	\$206,915	\$198,047	(\$ 8,868)
09/10/2009	\$ 4,302	\$211,217	\$203,035	(\$ 8,181)
10/05/2009	\$ 7,402	\$218,619	\$210,258	(\$ 8,361)
10/23/2009	\$ 5,652	\$224,270	\$215,402	(\$ 8,868)
11/02/2009	\$ 5,028	\$229,298	\$220,097	(\$ 9,200)
11/23/2009	\$ 6,637	\$235,934	\$226,466	(\$ 9,468)
12/07/2009	\$ 3,696	\$239,631	\$230,163	(\$ 9,468)
12/15/2009	\$ 2,299	\$241,930	\$232,461	(\$ 9,468)
12/23/2009	\$ 5,680	\$247,609	\$236,849	(\$10,760)
01/04/2010	\$ 1,119	\$248,728	\$239,260	(\$ 9,468)
02/16/2010	\$12,500	\$261,228	-	-

DATE OF DRAWDOWN PER OJP	AMOUNT OF DRAWDOWN PER OJP	CUMULATIVE DRAWDOWNS PER OJP	CUMULATIVE EXPENDITURES PER ACCOUNTING RECORDS	DIFFERENCE
02/16/2010	\$ 1,292	\$262,520	\$251,521	(\$10,999)
02/23/2010	\$ 3,644	\$266,164	\$256,644	(\$ 9,520)
03/25/2010	\$ 6,298	\$272,462	\$261,702	(\$10,760)
04/16/2010	\$ 8,451	\$280,913	\$269,844	(\$11,069)
05/03/2010	\$ 3,656	\$284,569	-	-
05/03/2010	\$12,978	\$297,548	\$286,446	(\$11,102)
06/01/2010	\$ 4,175	\$301,723	\$294,984	(\$ 6,739)
06/09/2010	\$ 4,357	\$306,081	\$301,587	(\$ 4,494)
06/24/2010	\$ 6,136	\$312,216	\$305,664	(\$ 6,552)
07/08/2010	\$ 6,671	\$318,888	\$313,328	(\$ 5,560)
07/15/2010	\$ 2,576	\$321,463	\$315,630	(\$ 5,834)
07/27/2010	\$ 6,404	\$327,867	\$321,315	(\$ 6,552)
08/26/2010	\$ 5,596	\$333,463	-	-
08/26/2010	\$ 9,090	\$342,554	\$338,458	(\$ 4,096)
09/01/2010	\$ 3,691	\$346,244	\$354,614	\$ 8,370
09/03/2010	\$12,480	\$358,724	\$354,614	(\$ 4,109)

Source: OJP's Grants Management System; ONCRT accounting records

Award 2008-IP-BX-0003

DATE OF DRAWDOWN PER OJP	AMOUNT OF DRAWDOWN PER OJP	CUMULATIVE DRAWDOWNS PER OJP	CUMULATIVE EXPENDITURES PER ACCOUNTING RECORDS	DIFFERENCE
11/10/2008	\$ 8,725	\$ 8,725	\$ 8,844	\$ 119
11/19/2008	\$ 727	\$ 9,452	\$ 11,341	\$1,889
01/02/2009	\$ 2,004	\$ 11,456	\$ 21,017	\$9,562
01/21/2009	\$ 3,451	\$ 14,907	\$ 24,121	\$9,214
02/05/2009	\$ 1,778	\$ 16,685	\$ 25,900	\$9,214
03/02/2009	\$ 2,269	\$ 18,954	\$ 28,101	\$9,147
04/06/2009	\$19,048	\$ 38,002	\$ 46,766	\$8,764
05/01/2009	\$ 6,066	\$ 44,068	\$ 52,713	\$8,645
06/01/2009	\$ 3,594	\$ 47,662	\$ 56,859	\$9,197
07/01/2009	\$20,004	\$ 67,666	\$ 76,439	\$8,773
07/27/2009	\$ 6,070	\$ 73,736	\$ 82,509	\$8,773
08/21/2009	\$ 5,102	\$ 78,838	\$ 87,611	\$8,773
09/10/2009	\$ 2,213	\$ 81,051	\$ 90,704	\$9,654
10/05/2009	\$ 5,980	\$ 87,031	\$ 95,804	\$8,773
10/23/2009	\$ 3,085	\$ 90,116	\$ 98,739	\$8,623
11/02/2009	\$ 2,422	\$ 92,537	\$101,160	\$8,623
12/15/2009	\$ 5,606	\$ 98,143	\$106,766	\$8,623
12/23/2009	\$ 1,687	\$ 99,829	\$108,325	\$8,495
01/04/2010	\$19,301	\$119,130	\$127,755	\$8,625
03/25/2010	\$ 1,305	\$120,565	\$129,060	\$8,495
06/01/2010	\$20,221	\$140,786	\$150,000	\$9,214

Source: OJP's Grants Management System; ONCRT accounting records

APPENDIX III

SCHEDULE OF DOLLAR-RELATED FINDINGS

QUESTIONED COSTS²	PAGE	AMOUNT
Unallowable Consultant Costs	6	\$ 1,481
Unallowable Contractor Costs	7	\$ 52,541
Total Questioned Costs:		\$54,022

² Questioned Costs are monies spent that, at the time of the audit, do not comply with legal requirements, or are unsupported, unbudgeted, or are unnecessary or unreasonable. They can be recoverable or nonrecoverable.

**OMAHA NATION COMMUNITY RESPONSE TEAM
RESPONSE TO THE DRAFT REPORT**

**Omaha Nation Community Response Team
P.O. Box 292, Walthill, NE 68067
(402) 846-5280**

March 16, 2012

David M. Sheeren
Regional Audit Manager
Denver Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
1120 Lincoln, Suite 1500
Denver, CO 80203

Re: OYW Grant #2007-TW-AX-0062, OJP Grant #2008-IP-BX-0003,
OJP Grant #2009-IP-BX-0070

Dear Ms. Taylor and Mr. Samuels:

The following is the response to the draft audit report presented by USDOJ auditors. Since the audit conducted over a year and a half ago, our organization has undergone some very upsetting circumstances. [REDACTED], a key staff person in the oversight of the organization and the grants in question had a terrible car accident and ultimately had to leave the organization for health reasons. [REDACTED] suffered a stroke, aneurism and heart attach and also has left the organization for health reasons. The financial officer is now working part time as a result of funding. These issues have presented challenges to the organization. Nonetheless, we are moving forward and offer the following reply to your audit.

1. Drawdowns – Until the last few months of the funding of these grants, drawdowns were requested over the telephone. There was no place to go to in order to see what draw downs had been made on each grant. The \$9,214 was drawn from the wrong grant number. We were unable to reconcile the drawdowns and therefore until the drawdowns were made available on the web site we would work in the dark. This was explained to the auditor when she was on site. Now that there is a visual record on DOJ's website we are able to reconcile our records and these types of unintentional errors will be identified right away.
2. Direct Costs – Regarding the rate exceeding \$450 per day: we have included in our financial policies the allowable daily rate for contractors. This will prevent rate overpayment from reoccurring. The consultant was notified of this and adjustments were made to his contract.
3. Competitive Bid Contract – The audit report did not identify the contractor that was in question regarding competitive bid award amounting to \$52,541. We would ask that you provide the name of the contractor to allow us to review how the decision was made to work with this contractor on this project. We will respond once this has been received from DOJ reviewed.
4. Financial Reports – Procedures have been clearly established in our financial policies and procedures to insure the timeliness and accuracy of all reporting to all

**Omaha Nation Community Response Team
P.O. Box 292, Walthill, NE 68067
(402) 846-5280**

funding sources. These procedures will outline the timelines and identify staff that will carry out the actions.

5. Drawdowns – Procedures are now in place that insures monthly reconciliation of the ONCRT financial recording of drawdowns with the documentation of the drawdowns on the DOJ website.
6. Progress Reports – Directors will be directed to provide the ONCRT Director with a copy of the progress reports 2 weeks prior to the due date of the reports. A calendar will be maintained by the Administrative Assistant to insure that the schedule is being adhered to. The ONCRT Director will be kept appraised of the procedure.

We will look forward to hearing from you regarding our response. Thank you for your consideration.

Sincerely,

Janet Nielsen

Janet Nielsen
Finance Officer

Cc: Ben Bazemore, Director
Lemuel Harlan, Board Chairman

OJP RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

26 MAR 2012

MEMORANDUM TO: David M. Sheeren
Regional Audit Manager
Denver Regional Audit Office
Office of the Inspector General

FROM: Maureen A. Henneberg
Director *Maureen A. Henneberg*

SUBJECT: Response to the Draft Audit Report, *Audit of the Office on Violence Against Women and Office of Justice Programs Grants Awarded to the Omaha Nation Community Response Team*

This memorandum is in response to your correspondence, dated February 24, 2012, transmitting the subject draft audit report for the Omaha Nation Community Response Team (ONCRT). We consider the subject report resolved and request written acceptance of this action from your office.

The draft audit report contains **nine** recommendations and **\$54,022** in questioned costs, of which five recommendations and \$54,022 in questioned costs are directed to the Office of Justice Programs (OJP); and four recommendations and no questioned costs are directed to the Office on Violence Against Women. The following is the OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

1. **We recommend that OJP coordinate with ONCRT to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.**

We agree with the recommendation. We will coordinate with ONCRT to obtain a copy of procedures implemented to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.

2. **We recommend that OJP coordinate with ONCRT to remedy the \$1,481 in unallowable consultant costs, and ensure that consultants are paid at rates which are allowable and approved by OJP.**

We agree with the recommendation. We will coordinate with ONCRT to remedy the \$1,481 in questioned costs related to unallowable consultant costs. In addition, we will coordinate with ONCRT to obtain a copy of procedures implemented to ensure that consultants are paid at rates which are allowable and approved by OJP.

3. **We recommend that OJP coordinate with ONCRT to remedy the \$52,541 in unallowable contractor costs, and ensure that all future contracts are awarded competitively, as required by the Special Conditions of the award.**

We agree with the recommendation. We will coordinate with ONCRT to remedy the \$52,541 in questioned costs related to unallowable contractor costs. In addition, we will coordinate with ONCRT to obtain a copy of procedures implemented to ensure that all future contracts are awarded competitively, as required by the Special Conditions of the award.

4. **We recommend that OJP coordinate with ONCRT to ensure that financial reports are submitted accurately.**

We agree with the recommendation. We will coordinate with ONCRT to obtain a copy of procedures implemented to ensure that Federal Financial Reports (FFR) are submitted accurately.

5. **We recommend that OJP coordinate with ONCRT to ensure that financial reports are submitted in a timely manner.**

We agree with the recommendation. We will coordinate with ONCRT to obtain a copy of procedures implemented to ensure that FFRs are submitted in a timely manner.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

cc: Jeffery A. Haley
Deputy Director, Audit and Review Division
Office of Audit, Assessment, and Management

Tracey Trautman
Acting Deputy Director for Programs
Bureau of Justice Assistance

cc: Esmeralda Womack
Division Chief
Bureau of Justice Assistance

Amanda LoCicero
Budget Analyst
Bureau of Justice Assistance

Joseph Husted
Policy Advisor
Bureau of Justice Assistance

Maria Anderson
State Policy Advisor
Bureau of Justice Assistance

Susan B. Carbon
Director
Office on Violence Against Women

Rodney Samuels
Audit Liaison
Office on Violence Against Women

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

OJP Executive Secretariat
Control Number 20120212

OVW RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice


Office on Violence Against Women


Washington, D.C. 20530

March 27, 2012

MEMORANDUM

TO: David Sheeren
Regional Audit Manager
Denver Regional Audit Office

FROM: Susan B. Carbon 
Director
Office on Violence Against Women

Rodney Samuels 
Audit Liaison/Staff Accountant
Office on Violence Against Women

SUBJECT: Audit of the Office on Violence Against Women and Office of Justice Programs Grants Awarded to the Omaha Nation Community Response Team

This memorandum is in response to your correspondence dated February 24, 2012 transmitting the above draft audit report for the Omaha Nation Community Response Team (ONCRT). We consider the subject report resolved and request written acceptance of this action from your office.

The report contains nine recommendations, of which recommendations 6-9 are directed to the Office on Violence Against Women (OVW). The Office on Violence Against Women (OVW) is committed to working with the grantee to address each recommendation and bring them to a close as quickly as possible. The following is an analysis of the audit recommendations:

- 6. **Ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.**

OVW does with this recommendation. We will work with the grantee to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.

7. Ensure that financial reports are submitted accurately.

OVW does agree with this recommendation. We will work with the grantee to ensure that financial reports are submitted accurately.

8. Ensure that financial reports are submitted in a timely manner.

OVW does agree with this recommendation. We will work with the grantee to ensure that financial reports are submitted in a timely manner.

9. Ensure that Progress Reports are submitted in a consistently timely manner.

OVW does agree with this recommendation. We will work with the grantee to ensure that Progress Reports are submitted in a consistently timely manner.

We appreciate the opportunity to review and comment on this report. We will continue to work with the ONCRT to address the open recommendations. If you have any questions or require additional information, please contact Rodney Samuels of my staff at (202) 514-9820.

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

Angela Wood
Budget Officer
Office on Violence Against Women

Kimberly Woodard
Program Specialist
Office on Violence Against Women

APPENDIX VII

OFFICE OF THE INSPECTOR GENERAL ANALYSIS AND SUMMARY OF ACTIONS NECESSARY TO CLOSE THE REPORT

The OIG provided a draft of this audit report to the ONCRT, OJP, and the OVW. The responses are incorporated into Appendixes IV, V, and VI of this final report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

1. **Resolved.** OJP concurred with our recommendation to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds. OJP stated in its response that it will coordinate with the ONCRT to ensure that the ONCRT has implemented these procedures.

This recommendation can be closed when we receive evidence that OJP has coordinated with the ONCRT to obtain a copy of the procedures implemented to ensure that drawdowns are accurate, and has verified that those procedures are sufficient to prevent future inaccurate drawdowns.

2. **Resolved.** OJP concurred with our recommendation to remedy the \$1,481 in unallowable consultant costs, and to ensure that consultants are paid at rates which are allowable and approved by OJP. OJP stated in its response that it will coordinate with the ONCRT to remedy these costs. In addition OJP stated it will coordinate with the ONCRT to obtain a copy of procedures implemented to ensure that consultants are paid at rates which are allowable and approved by OJP.

This recommendation can be closed when we receive evidence that OJP has remedied the \$1,481 in unallowable consultant costs, and has reviewed the procedures currently in place to ensure that consultants are paid at rates which are allowable and approved by OJP.

3. **Resolved.** OJP concurred with our recommendation to remedy \$52,541 in unallowable contractor costs and ensure that all future contracts are awarded competitively as required by the Special Conditions of the award. OJP stated in its response that it will coordinate with the ONCRT to remedy these costs. In addition, OJP stated that it will coordinate with the ONCRT to obtain a copy of

procedures implemented to ensure that all future contracts are awarded competitively, as required by the Special Conditions of the award.

In their response to the draft report, ONCRT officials requested the name of the contractor referred to in this report. This information had been provided to the previous Project Director, and we also identified the contractor to current ONCRT management.

This recommendation can be closed when we receive evidence that the OJP has remedied the \$52,541 in unallowable contractor costs, and has verified that the system currently in place ensures that all future contracts be awarded competitively if required by the Special Conditions of the award.

4. **Resolved.** OJP concurred with our recommendation to ensure that financial reports are submitted accurately. OJP stated in its response that it will coordinate with the ONCRT to obtain a copy of procedures implemented to ensure that Federal Financial Reports (FFR) are submitted accurately.

This recommendation can be closed when we receive evidence that OJP has coordinated with the ONCRT to verify that the new internal policies have been implemented and will adequately ensure the accuracy of future financial reporting.

5. **Resolved.** OJP concurred with our recommendation to ensure that financial reports are submitted in a timely manner. OJP stated in its response that it will coordinate with the ONCRT to obtain a copy of procedures implemented to ensure that FFRs are submitted in a timely manner.

This recommendation can be closed when we receive evidence that OJP has coordinated with the ONCRT to verify that the new internal policies have been implemented and will adequately ensure the timeliness of future financial reporting.

6. **Resolved.** OVW concurred with our recommendation to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds. OVW stated in its response that it will work with the grantee to ensure that drawdowns are accurate, and that a process is in place to identify errors that could result in inaccurate reporting and the potential loss of funds.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the ONCRT to obtain a copy of the procedures implemented to ensure that drawdowns are accurate, and has verified that those procedures are sufficient to prevent future inaccurate drawdowns.

7. **Resolved.** OVW concurred with our recommendation to ensure that financial reports are submitted accurately. OVW stated in its response that it will work with the grantee to ensure that financial reports are submitted accurately.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the ONCRT and verified that the new internal policies have been implemented, and are capable of ensuring the accuracy of future financial reporting.

8. **Resolved.** OVW concurred with our recommendation to ensure that financial reports are submitted in a timely manner. OVW stated in its response that it will work with the grantee to ensure that financial reports are submitted in a timely manner.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the ONCRT and verified that the new internal policies have been implemented, and will adequately ensure the timeliness of future financial reporting.

9. **Resolved.** OVW concurred with our recommendation to ensure that financial reports are submitted in a timely manner. OVW stated in its response that it will work with the grantee to ensure that financial reports are submitted in a timely manner.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the ONCRT and verified that the policies currently in place have been implemented and are capable of ensuring the timeliness of future programmatic reporting.