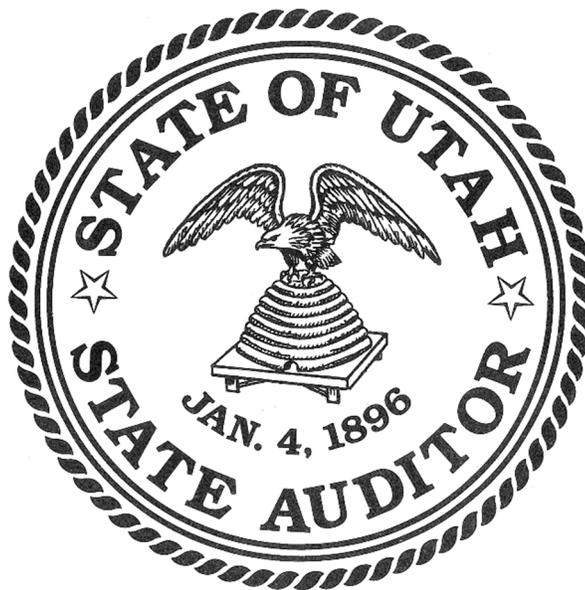


**COMMISSION ON CRIMINAL AND JUVENILE JUSTICE
Utah Office for Victims of Crime**

Single Audit Management Letter
For the Year Ended June 30, 2019

Report No. 19-07



**OFFICE OF THE
STATE AUDITOR**

AUDIT LEADERSHIP:

John Dougall, State Auditor
Jason Allen, CPA, CFE, Senior Audit Manager
Sean Clayton, Audit Senior

COMMISSION ON CRIMINAL AND JUVENILE JUSTICE

Utah Office for Victims of Crime

**Single Audit Management Letter
FOR THE YEAR ENDED JUNE 30, 2019**

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Finding Type:

MW Material Internal Control Weakness
SD Significant Deficiency of Internal Control
MN Material Noncompliance
RN Reportable Noncompliance or Illegal Acts

Applicable To:

f Federal Program



OFFICE OF THE
STATE AUDITOR

SINGLE AUDIT MANAGEMENT LETTER NO. 19-07

December 5, 2019

Ms. Kim Cordova, Executive Director
Commission on Criminal and Juvenile Justice
State Capitol Complex
Senate Building Suite 330
P.O. Box 142330
Salt Lake City, Utah 84114-2330

Dear Ms. Cordova:

This management letter is issued as a result of the Commission on Criminal and Juvenile Justice's (CCJJ's) portion of the statewide single audit for the year ended June 30, 2019. Our final report on compliance and internal control over compliance issued to meet the reporting requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) will be issued under separate cover. We tested the Crime Victim Assistance program (CFDA # 16.575) and the Crime Victim Compensation program (CFDA # 16.576), administered by the Utah Office for Victims of Crime, a division of CCJJ.

In planning and performing our compliance audit of the programs listed above, we considered CCJJ's compliance with the types of compliance requirements subject to audit as described in the *OMB Compliance Supplement* for the year ended June 30, 2019. We also considered CCJJ's internal control over compliance with the types of requirements described above that could have a direct and material effect on the programs tested in order to determine the audit procedures that were appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CCJJ's internal control over compliance.

Our consideration of internal control over compliance was for the limited purposes described in the second paragraph and was not designed to identify all deficiencies in CCJJ's internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct on a timely basis noncompliance with a type

of compliance requirement of a federal program. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in internal control over compliance presented in Findings 1, 2, 4, 5 and 6 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to be reported under Uniform Guidance. We consider the deficiencies in internal control over compliance presented in Findings 3 and 7 to be significant deficiencies.

We also identified Findings 1 and 3 as instances of noncompliance which we are required to report under the Uniform Guidance.

In addition, during our audit we became aware of a deficiency in internal control (Finding 8) that is reported as an opportunity for strengthening internal controls and operating efficiencies.

CCJJ's written responses to and Corrective Action Plans for the findings identified in our audit were not subjected to the audit procedures applied in our audit and, accordingly, we express no opinion on them.

The purpose of this communication is solely to describe the scope of our testing of internal control over compliance and the results of that testing and not to provide an opinion on the effectiveness of CCJJ's internal control over compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

We appreciate the courtesy and assistance extended to us by the CCJJ's personnel during the course of our audit, and we look forward to a continuing professional relationship. If you have any questions, please contact me.

Sincerely,



Jason Allen, CPA, CFE
Senior Audit Manager
801-808-0716
jasonallen@utah.gov

cc: Gary Scheller, Director, Utah Office for Victims of Crime
David Walsh, Deputy Director, Commission on Criminal and Juvenile Justice
Melanie Scarlet, Program Manager, Utah Office for Victims of Crime
Lynsey Stock, Auditor, Utah Office for Victims of Crime

FINDINGS AND RECOMMENDATIONS

1. INCONSISTENT COMPENSATION THRESHOLD AND INAPPROPRIATE ALLOCATION

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.576 Crime Victim Compensation**

Federal Award Numbers: **2015-VC-GX-0032, 2016-VC-GX-0057,
2017-VC-GX-0019, 2018-V1-GX-0026**

Questioned Costs: \$0

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Number: **2018-029**

We sampled 40 Crime Victim Compensation (CVC) expenditures and selected 12 additional significant items at the Utah Office for Victims of Crime (UOVC), a division of the Commission on Criminal and Juvenile Justice (CCJJ), and noted the following noncompliance and internal control issues:

- a. UOVC does not have policies and procedures to ensure it classifies claims and determines appropriate reparation in a consistent manner and maintains supporting documentation for the decisions. Instead, UOVC classifies claims on a case-by-case basis. We noted 2 of the 40 claims tested for which the reparations officer granted an increased award amount without supporting documentation. The two increased awards concerned the difference between aggravated versus non-aggravated assault. Lack of policies and procedures results in inconsistent claim classification which could, in turn, result in exceeding the aggregate amount allowed per crime as stated in *Utah Code* 63M-7-511.5. Because the reparation paid on these two claims did not exceed the amount related to the proper classification, we have not questioned any costs associated with these claims.
- b. UOVC improperly documented and recorded \$1,140 paid to a secondary victim for lost wages. The lost wages were shown in the Claims Management System (CMS) under the primary victim's benefits rather than the secondary victim's benefits. Payments for secondary victims reduce the victim's maximum award (*Utah Code* 63M-7-511.5) and could result in the primary victim not receiving compensation for all eligible reimbursements. Because the reparations paid on this claim did not exceed the aggregate amount allowed, we have not questioned any costs associated with the claim.

Recommendations:

We recommend UOVC:

- a. **Implement policies and procedures to ensure appropriate reparations are applied in a consistent manner and award decisions are adequately documented.**

- b. Ensure any changes to approved benefits, made after the original eligibility determination, are adequately supported and documented.**

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has completed the recommended updates to procedures, which were in draft form and under review at the time of the audit.

Contact Persons: *Melanie Scarlet, Reparation Program Manager UOVC, 801-238-2364*
Gary Scheller, Director UOVC, 801-238-2362

Anticipated Correction Date: Any remaining or additional updates determined necessary or recommended by this Single Audit process, will be completed, implemented and disseminated prior to December 1, 2019.

2. EXPENDITURES NOT MONITORED FOR PERIOD OF PERFORMANCE PURPOSES

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.576 Crime Victim Compensation**

Federal Award Numbers: **2015-VC-GX-0032, 2016-VC-GX-0057,
2017-VC-GX-0019, 2018-V1-GX-0026**

Questioned Costs: N/A

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Number: **2018-032**

UOVC does not monitor or verify that expenditures charged to the CVC program occurred during each award's period of performance. Funding for this program is derived from both state and federal resources, is recorded in one fund code in FINET, and includes multiple federal awards, each of which have a four-year period of performance requirement. UOVC does not charge the majority of CVC expenditures to a specific award and does not perform any allocation after the fact. The 2017 Department of Justice Grants Financial Guide specifically states that for this program there is no financial requirement to identify the source (federal or state) of individual payments to crime victims. However, without an allocation or some other way to identify the expenditures to a specific federal award, we could not perform appropriate audit procedures to determine compliance with period of performance requirements. By not adequately tracking spending for period of performance purposes, UOVC could be spending funds outside the allowable period.

Recommendation:

We recommend UOVC charge expenditures to specific awards or otherwise identify the source (federal or state) of payments to crime victims or obtain a waiver from the U.S. Department of Justice stating this requirement does not apply to this program.

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has drafted procedures which address the related recommendation and which have been provided to the Federal Funding entity for review in October of 2019 in response to a Site Evaluation from that entity in April of 2019.

*Contact Persons: Connie Wettlaufer, Financial Point of Contact (FPOC) UOVC, 801-238-2371
Patti Jensen, Financial Manager UOVC, 801-238-2364
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Any remaining or additional updates determined necessary or recommended by the Federal Funding Entity and/or this Single Audit process, will be completed, implemented and disseminated, appropriately and timely subsequent to the Federal Funding Entity's response.

3. INACCURATE SPECIAL AND PERFORMANCE REPORTS

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.576 Crime Victim Compensation**

Federal Award Numbers: **2015-VC-GX-0032, 2016-VC-GX-0057,
2017-VC-GX-0019, 2018-V1-GX-0026**

Questioned Costs: N/A

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Number: **2018-031**

UOVC has not established adequate internal controls over the State Certification Form and the annual performance report. Federal regulations (200 CFR 200.303(a)) state, "The non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award." We selected one performance report and one state certification report submitted during state fiscal year 2019 and noted the following internal control issues and inaccuracies:

Inaccuracies in the CVC State Certification Form:

The State Certification Form is a federal financial report prepared from information in FINET (the State's accounting system) and from supporting documentation. The following errors in the report indicate that UOVC's review of this report is not effective in preventing, or detecting and correcting, errors in the report.

- Subrogation Recoveries, Part I Line B2 & Part II Line A7, was overstated by \$2,653
- Restitution Recoveries, Part I Line B3 & Part II Line A8, was overstated by \$2,654
- Fines and Penalties, Part II Line A4, was overstated by \$2,650
- Earned Interest, Part II Line A11, was overstated by \$1,560
- Reserves Carried Over, Part II Line A12, was overstated by \$50,474
- VOCA Grant Funds, Part II Line C, was overstated by \$9,811

The amounts reported in this report should agree to FINET since FINET contains the accounting records that support the audited financial statements and the Schedule of Expenditures of Federal Awards. These errors were caused by inaccurate calculations by UOVC personnel that prepared the report. Inaccuracies in the State Certification Form can impact future program awards.

Inaccuracies in the Performance Report

The "Victims of Crime Act Compensation Grant Program State Performance Report" (Performance Report) is an annual report derived from information in UOVC's Claims Management System. UOVC does not have sufficient controls to ensure the report is submitted with accurate data. We reviewed random line items in the report and noted the following errors:

- The amounts paid for each "crime type" were incorrectly reported on the Performance Report. Because FINET is not configured to track compensation payments by individual crime type, UOVC uses the amounts from the Claims Management System on the Performance Report. When the total amount paid for *all* crimes on the Performance Report did not match the amount reported in FINET, UOVC arbitrarily reduced the amount reported for the "Other" category (since it is the largest of the categories) by \$6,156 so the total matched the amount reported in FINET.
- The required performance measurements that went into effect October 2015, e.g., dollar amount of expenses paid by category and type of crime, are not tracked. UOVC has a 2015 correspondence from the Department of Justice stating that these items can be reported as "not tracked." The correspondence also stated that UOVC should comply as quickly as possible to start tracking the required measurements but did not give an implementation deadline. As of June 2019, these required performance measures are still being reported as "not tracked." In addition to the "not tracked" performance measures, many of the reporting errors noted below resulted from the Claims Management System not being properly programmed to produce the required information for the Performance Report.

- UOVC's Claims Management System contains different age ranges for 4 of 6 age categories required on the Performance Report. As such, we were unable to calculate the correct number of applicants within the age ranges requested on the Performance Report. The Claims Management System is not properly programmed to generate reports for the proper age categories.
- The "Number of applications denied/closed" during the reporting period was understated by 7 applications due to inaccurate input in the report. UOVC understated the number of applications denied/closed for "incomplete information" by 4 and understated the number of applications denied/closed for "other" reasons by 3.

UOVC should take greater care when entering data into the Claims Management System and preparing the Performance Report. Without tracking or properly generating the required performance measures, UOVC cannot provide the Department of Justice with the critical information needed to know how this program is being administered to help victims of various crimes.

Recommendations:

We recommend UOVC:

- **Implement internal controls to ensure the required reports are prepared in an accurate manner. Such a control would typically include training for UOVC staff and a review by an individual other than the preparer.**
- **Implement internal controls to ensure the Claims Management System is programmed to accurately capture all data elements required for the Victims of Crime Act Compensation Grant Program State Performance Report.**

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has drafted procedures which address the related recommendation and which have been provided to the Federal Funding entity for review in October of 2019 in response to a Site Evaluation from that entity in April of 2019. Additionally, UOVC has applied for and been awarded a technology grant for the purpose of developing a new Compensation Claim Data Management system. The new system will be configured to track the required data related to this finding. UOVC Financial Manager Patti Jensen has reported that the most recent past certification form submitted the funding entity has been corrected in their system.

*Contact Persons: Patti Jensen, Financial Manager UOVC, 801-238-2364
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Any remaining or additional updates determined necessary or recommended by the Federal Funding Entity and/or this Single Audit process, will be completed, implemented and disseminated, appropriately and timely subsequent to the Federal Funding Entity's response. The anticipated timeline of the completed data management system is approximately 3 years.

4. ERRORS IN AND INADEQUATE INTERNAL CONTROLS OVER REPORTING AND EARMARKING

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.575 Crime Victim Assistance**

Federal Award Numbers: **2015-VA-GX-0063, 2016-VA-GX-0052,
2017-VA-GX-0057, 2018-V2-GX-0051**

Questioned Costs: N/A

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Numbers: **2017-020, 2018-025**

UOVC has not established internal controls over the Crime Victim Assistance (CVA) program's financial and performance reports and administrative expenditure earmarking requirements. Federal regulations (200 CFR 200.303(a)) state, "The non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award." We selected three financial reports and one performance report submitted during state fiscal year 2019 and noted the following deficiencies in the submitted reports.

Errors in Federal Financial Reports (SF-425)

The financial reports were prepared using information generated by UOVC's internally developed Grant Management System (GMS) which did not agree to information recorded in FINET. While UOVC indicated that the GMS is reconciled to FINET on a monthly basis, we identified the following inaccuracies as we traced the reported amounts to FINET:

- The Federal Share of Expenditures (line 10.e) reported on the 2015 Award's September 30, 2018 quarterly report was understated by \$3,558.
- The Federal Share of Expenditures (line 10.e) reported on the 2016 Award's December 31, 2018 quarterly report was understated by \$949,514, mainly due to the report excluding expenditures for December 2018.

The amounts on the federal financial reports should agree to FINET since FINET contains the accounting records that support the audited financial statements and the Schedule of Expenditures of Federal Awards. These errors occurred because of calculation errors and because UOVC does not use expenditures recorded in FINET to prepare the reports. This

practice could permit improper amounts to be reported on the SF-425 without detection, which could potentially affect future program funding.

Subrecipient-Reported Information Not Adequately Verified

UOVC does not perform procedures to verify the earmarking information reported on the U.S. Department of Justice, Office for Victims of Crimes Annual Performance Measurement Tool (PMT) Report. This information is used to ensure the requirements are met related to the 30 percent minimum earmarking for priority categories of crime victims and the 10 percent minimum earmarking for previously underserved victims of violent crimes. As part of its monitoring procedures, UOVC selects one of a subrecipient's reimbursement requests, obtains supporting documentation for the reported amounts, including earmarking amounts, and performs a desk audit to determine the validity of the numbers reported. These desk audits focus on a single reimbursement request by a subrecipient and do not determine the validity of *all* amounts reported.

Because UOVC does not obtain and review supporting documentation for all necessary data elements, we were unable to determine whether UOVC actually met the 30 percent priority category and 10 percent previously underserved earmarking requirements. All information submitted on the Annual PMT Report should be verified either by obtaining and reconciling supporting documentation to the reported amounts or by performing other procedures to validate the accuracy of the reported amounts and other performance measures submitted by the subrecipients. Inaccurate information on the Annual PMT Report, whether provided to UOVC by the subrecipients or reported by UOVC, could permit program purposes and performance measures to be overlooked or ignored without detection and could potentially affect future program funding.

Recommendations:

We recommend UOVC:

- **Establish internal controls over the preparation of financial and performance reports, which could include a review by an individual other than the preparer.**
- **Prepare the financial and performance reports using expenditures recorded in FINET to ensure the accuracy in accordance with applicable reporting instructions.**
- **Establish procedures to verify all amounts reported by UOVC on the Annual PMT Report, particularly those amounts related to earmarking requirements.**

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has drafted procedures which address the related recommendations and which have been provided to the Federal Funding entity for review in October of 2019 in response to a Site Evaluation from that entity in April of 2019. The procedures were updated again on November 1, 2019 subsequent to UOVC meeting with the auditing personnel and receiving further clarity. UOVC continues to work with the funding entity regarding the PMT issues raised by the State Auditor, to assure the concerns of the State Auditor are properly addressed.

*Contact Persons: Tallie Viteri, Assistant Director, Assistance Grants Program Manager, UOVC, 801-297-2620
Arnold Liu, Financial Analyst (POC), Assistance Grants, UOVC, 801-238-2374
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Procedures were updated in July, 2019 and again in October of 2019. Any remaining or additional updates determined necessary or recommended by the Federal Funding Entity and/or this Single Audit process, will be completed, implemented and disseminated, appropriately and timely subsequent to the Federal Funding Entity's response.

5. ON-SITE VISITS NOT PERFORMED BI-ANNUALLY

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.575 Crime Victim Assistance**

Federal Award Numbers: **2015-VA-GX-0063, 2016-VA-GX-0052, 2017-VA-GX-0057**

Questioned Costs: N/A

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Numbers: **2017-019, 2018-026**

UOVC has not performed bi-annual on-site visits to its subrecipients. Because UOVC is required to perform on-site visits once every two years, we reviewed UOVC's monitoring efforts for the 2015-2017 federal fiscal awards. For all 20 subrecipients in our sample (a 100% error rate), UOVC did not perform and document an on-site visit during the last two years. Federal regulations (28 CFR 94.106(b)) require state administering agencies to conduct on-site monitoring of all subrecipients at least once every two years. However, UOVC's Monitoring Policies and Procedures state that on-site visits should be conducted "as staffing allows" and do not specify a time period. UOVC should ensure its written Monitoring Policies and Procedures are in line with the federal regulations. Also, UOVC should maintain a copy of site visit results to document its compliance. Inadequate monitoring of subrecipients could result in noncompliance with grant requirements.

Recommendation:

We recommend UOVC revise its procedures to ensure it properly performs and documents its on-site visits to subrecipients in accordance with 28 CFR 106(b).

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

Within the past year, UOVC has hired two auditors to help UOVC be compliant with all subrecipient monitoring requirements. UOVC monitoring policies have been updated to include policies regarding subrecipient site visits. There is currently a schedule in place that will ensure all subrecipients receive a formal site visit in conjunction with a desk review during FY20. The monitoring policy and accompanying tools have been updated to meet all subrecipient monitoring requirements outlined in 28 CFR 106(b).

Contact Persons: Lynsey Stock, Audit Manager UOVC, 304-545-7589
Gary Scheller, Director UOVC, 801-238-2362

Anticipated Correction Date: Complete as of 11/01/2019

6. INCONSISTENCY AND CALCULATION ERRORS IN FEDERAL CASH DRAWS

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.575 Crime Victim Assistance**

Federal Award Numbers: **2015-VA-GX-0063, 2016-VA-GX-0052, 2017-VA-GX-0057**

Questioned Costs: \$0

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Numbers: **2017-018, 2018-027**

UOVC lacks procedures to ensure that cash draws are made in a consistent manner. As a result, 4 (50%) of the 8 cash draw requests tested included errors that had a net effect of \$34,282 being underdrawn for the CVA program. UOVC should develop effective internal controls over cash management by establishing and following procedures to ensure cash draws capture all expenditures recorded in FINET up to the draw date and are properly calculated. Drawing funds on an inconsistent basis can result in noncompliance with federal cash management requirements and possible lost interest for the State.

Recommendation:

We recommend UOVC establish procedures to ensure cash draws are made in a consistent manner, including:

- **Capturing all expenditures recorded in FINET up to the draw date.**
- **Properly calculating draw requests.**

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has drafted procedures which address the related recommendation and which have been provided to the Federal Funding entity for review in October of 2019 in response to a Site Evaluation from that entity in April of 2019.

*Contact Persons: Connie Wettlaufer, Financial Point of Contact (FPOC) UOVC, 801-238-2371
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Procedures were updated in July, 2019 and again in October of 2019. Any remaining or additional updates determined necessary or recommended by the Federal Funding Entity and/or this Single Audit process, will be completed, implemented and disseminated, appropriately and timely subsequent to the Federal Funding Entity's response.

7. CHECKS ISSUED TO INCORRECT VENDORS

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.575 Crime Victim Assistance**

Federal Award Numbers: **2016-VA-GX-0052**

Questioned Costs: \$0

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Number: N/A

UOVC disbursed four CVA program checks totaling \$42,286 to incorrect vendors. These checks were subsequently cancelled and the payments sent to the correct vendor; therefore, we have not questioned any costs. Before cash disbursements are approved and distributed, a financial manager should review the transactions to ensure they are the proper amounts, allowable, and match supporting documentation. These errors occurred during UOVC's transition to a grants management sub system that interfaces with FINET; an office specialist entered incorrect vendor numbers and financial managers failed to perform adequate reviews. Inadequate internal controls over cash disbursements could result in questioned costs and noncompliance with grant requirements.

Recommendations:

We recommend UOVC:

- **Ensure vendor information in the UOVC grants management system is correct.**
- **Strengthen its review process over disbursements.**

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has made changes to staff and the processing of disbursements. UOVC has now eliminated the office specialist to process payments in FINET as a result of UOVC transitioning into a new grants management system. This has simplified UOVC's payment process by reducing data entry and data entry errors.

With the new transition of the financial piece in Utah Grants Management system, and the ability to enter payments via Excel spreadsheet upload in FINET, there has been additional review process put in place before the Financial Manager Approves the payment in FINET. Specifically, the Financial Analyst reviews all payment requests for accuracy before the Financial Manager reviews again for final approval in FINET.

*Contact Persons: Patti Jensen, Financial Manager UOVC, 801-238-2364
Arnold Liu, Financial Analyst (FPOC), Assistance Grants, UOVC, 801-238-2374
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Complete as of 11/01/2019

8. NON-HOLIDAY LEAVE NOT ALLOCATED TO THE APPROPRIATE FEDERAL PROGRAMS

Federal Agency: **Department of Justice**

CFDA Number and Title: **16.575 Crime Victim Assistance**

Federal Award Numbers: **2015-VA-GX-0063, 2016-VA-GX-0052, 2017-VA-GX-0057**

Questioned Costs: \$0

Pass-through Entity: N/A

Prior Year Single Audit Report Finding Number: **2018-028**

UOVC did not equitably allocate the hours charged for non-holiday leave taken (e.g. annual, sick, admin) to all of the activities on which an employee had worked. We noted that on 3 of the 40 timesheets sampled, the employee's non-holiday leave was not allocated to the appropriate federal program. UOVC reallocated holiday leave on a quarterly basis to the various activities, but did not include other non-holiday leave when performing the leave reallocation, which caused \$4,739 to be charged to state programs when it could have been charged to federal programs. As required by 2 CFR section 200.431, the cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job should be equitably allocated to all related activities. Failure to properly allocate leave costs may result in inequitable charges to all related activities, including federal programs.

Recommendation:

We recommend that UOVC include all leave in its reallocation process.

UOVC's Response:

UOVC agrees.

Corrective Action Plan:

UOVC has drafted procedures which address the relate recommendation and which have been provided to the Federal Funding entity for review in October of 2019 in response to a Site Evaluation from that entity in April of 2019.

*Contact Persons: Patti Jensen, Financial Manager UOVC, 801-238-2364
Tallie Viteri, Assistant Director, Assistance Grants Program Manager,
UOVC, 801-297-2620
Melanie Scarlet, Reparation Program Manager UOVC, 801-238-2364
Gary Scheller, Director UOVC, 801-238-2362*

Anticipated Correction Date: Complete as of 11/01/2019