

STATE OF WEST VIRGINIA

SPECIAL REPORT

OF

***YOUNG WOMEN'S CHRISTIAN
ASSOCIATION OF WHEELING
FAMILY VIOLENCE PREVENTION PROGRAM***

FOR THE PERIOD

JULY 1, 2000 - OCTOBER 31, 2000



OFFICE OF THE LEGISLATIVE AUDITOR

CAPITOL BUILDING

CHARLESTON, WEST VIRGINIA 25305-0610

SPECIAL REPORT

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

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YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

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YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

EXIT CONFERENCE

We held an exit conference on January 3, 2001, with the Secretary of Department of Health and Human Resources and representatives from the Division of Criminal Justice Services, all findings contained within the Special Report on the YWCA Family Violence Protection Program were reviewed and discussed. The Department of Health and Human Resources' and Division of Criminal Justice Services' responses are included immediately following the Summary of Findings and Recommendations section of this report.

WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance

Theodford L. Shanklin, CPA, Director
Legislative Post Audit Division
Building 1, Room W-329
1900 Kanawha Blvd., E.



Area Code (304)
Phone: 347-4880
Fax: 347-4889

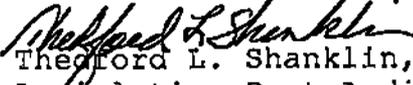
CHARLESTON, WEST VIRGINIA 25305-0610

To the Joint Committee on Government and Finance:

In compliance with the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the Family Violence Prevention Program as administered by the Young Women's Christian Association of Wheeling.

Our examination covers the period July 1, 2000 through October 31, 2000. The results of this examination are set forth on the following pages of this report.

Respectfully submitted,


Theodford L. Shanklin, CPA, Director
Legislative Post Audit Division

November 17, 2000

Auditors: Michael A. House, CPA, Supervisor
David N. Harris, CPA, Auditor-in-Charge
Peter J. Maruish, CPA

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

INTRODUCTION

Young Women's Christian Association

The Young Women's Christian Association (YWCA) of the United States of America is a women's membership movement nourished by its roots in the Christian faith and sustained by the richness of many beliefs and values. Strengthened by diversity, the Association draws together members who strive to create opportunities for growth, leadership and power in order to attain a common vision: Peace, justice, freedom and dignity for all people.

Family Violence Prevention Program

The YWCA Family Violence Prevention Program (FVPP) believes that all people have the right to live their lives without the threat or fear of violence. The program's mission is to empower victims to make positive steps toward making healthier choices for themselves and their children and provide emergency service and support to victims during this transition.

The YWCA Family Violence Prevention Program provides free, confidential services to victims and children of domestic violence in Hancock, Brooke, Ohio, Marshall, and Wetzel counties in West Virginia. These counties cover approximately 966 square miles

with a potential client population of nearly 25,000. Services include: support groups for adults and children, anger management programs, batterer's intervention programs, court advocacy, emergency shelter, peer counseling, referrals, crisis intervention, educational programs, monitored visitations, 24-hour hotline and full-time outreach advocates in Hancock, Brooke, Ohio, Marshall, and Wetzel counties.

All services are available to anyone regardless of age, gender, race, religion, national origin, disability or sexual preference. During 1999, the Family Violence Prevention Program served 1,674 adults and 391 children. The program provided 2,758 nights of shelter to adults and children of domestic violence. The program also provided 13,162 units of free services to the clients.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM ADVISORY COMMITTEE AND STAFF

AS OF OCTOBER 31, 2000

Edi Altmeyer Committee Member
(9/22/00-Present)

Karen Geary Committee Member
(Prior to 7/1/00-9/21/00)

Rita Berry Acting Chair
(9/22/00-Present)

Beth Ann Dague Committee President
(Prior to 7/1/00-9/21/00)

Lanny Bonenberger Committee Member
(9/22/00-Present)

Randy Gossett Committee Member
(Prior to 7/1/00-9/21/00)

Bonnie Bonar Committee Member

Jack Brownlee Finance Chairman

Becky Gooch Committee Member
(9/22/00-Present)

Liz Harshberger Committee Member
(Prior to 7/1/00-9/21/00)

Becky Johnen Secretary

Deb Keddie Committee Member

Carl Kocher Committee Member

Donna Madden Committee Member

Peggy Miller Committee Member
(9/22/00-Present)

Patti Kota Committee Member
(Prior to 7/1/00-9/21/00)

Tom Westfall Committee Member

Marguerite Renaud Committee Member
(Prior to 7/1/00-9/21/00)

Rhonda West Committee Member
(Prior to 7/1/00-9/21/00)

STAFF

Barbara Knutsen YWCA Executive Director

Karen Kangisser Family Violence Prevention
Program Interim Director
(9/7/00-Present)

Terri Chambers Family Violence Prevention
Program Director
(Prior to 7/1/00-9/6/00)

Lori Sorg Business Manager

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

SUMMARY OF FINDINGS AND RECOMMENDATIONS

No Written Accounting Procedures

1. During our examination it became apparent to us, based on observed noncompliance with provisions of the grants, the YWCA did not have written accounting, procurement, and internal control procedures in place to ensure compliance with provisions of the grants.

Auditor's Recommendation

We recommend the Agency establish written accounting, procurement, and internal control procedures to ensure compliance with the provisions of the grants.

TANF Monies Used for Capital Expenditures

2. The YWCA expended a total of \$114,112.36 from Temporary Assistance for Needy Families (TANF) grant monies for the renovation of the shelter without obtaining competitive bids as required, and without any written approval from the grantor.

Auditor's Recommendation

We recommend the YWCA comply with the grant agreement's Standards for Financial Management Subsection A - Financial Accountability and Cost Principles - Non-Profit

Organizations; 45 CFR Part 74.44; Section 15 of the OMB Circular A-122 titled Equipment and other capital expenditures; and, Chapter 5A, Article 3, Section 10 of the West Virginia Code.

Incorrect Calculation of Terminal Leave Pay

3. We noted eight employees were overpaid a total of \$4,866.87 in their lump-sum payment for terminal leave.

Auditor's Recommendation

We recommend the YWCA comply with Section 5:03 VACATIONS, of its Personnel Policy. We also recommend every possible effort be made to collect the overpayments and refund the money to the grant from which the overpayment was made.

Overcharging the Grants for Expenditures

4. We noted 11 instances totaling \$2,523.40 of the YWCA charging the same expenditure to more than one grant.

Auditor's Recommendation

We recommend the YWCA comply with the accounting requirements/financial records sections for the TANF, DHHR, and CJ grants. We further recommend the duplicate charges be eliminated and reimbursement be made to the grantor in the amount of the unexpended funds.

**No Supporting Documentation for Family
Violence Prevention Program**

5. The YWCA could not provide supporting documentation for \$3,633.98 in expenditures made from the TANF, DHHR, and CJ grants.

Auditor's Recommendation

We recommend the YWCA comply with the accounting requirements and Special Conditions and Assurances sections of the Criminal Justice Grant and the Financial Records sections of the TANF and DHHR grants for the FVPP.

Audit Requirements

6. We noted the YWCA did not comply with the audit requirements of the Criminal Justice 1999 grant.

Auditor's Recommendation

We recommend the YWCA comply with the Special Conditions and Assurances section of the CJ grant.

Time Sheet Information

7. We noted the time sheets maintained by the Family Violence Prevention Program do not indicate time worked in relation to each respective grant from which the employee is being paid.

Auditor's Recommendation

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants for the FVPP and

maintain time sheets that reflect the actual amount of time charged to each grant from which the employee is paid.

Retirement Benefits

8. We noted, with the exception of one employee, all retirement for the FVPP employees is being paid from the DHHR grant, even though salaries in some instances are paid from other grants.

Auditor's Recommendation

We recommend the YWCA comply with the financial records sections of the TANF and DHHR grants for the FVPP. In addition, we recommend each respective grant be charged for the proportional share of each employees fringe benefits, including retirement, based on the portion of the employee's salary paid from each grant.

Employee Salaries

9. We noted the DHHR 2001 and CJ 2001 grants were overcharged \$4,677.26 and \$1,254.59, respectively, for employee salaries. The TANF 2001 grant was undercharged \$5,055.64 for employee salaries.

Auditor's Recommendation

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants for the FVPP and properly allocate salaries as authorized by the grants.

Expenditures Not Posted

10. The YWCA did not post \$6,995.04 in FVPP expenditures, that were charged to the DHHR 2001 and TANF 2001 grants, to the agency's computerized accounting system. In addition, expenditures totaling \$3,689.17 for capital improvements were erroneously charged to the TANF 2000 grant. However, \$3,937.83 in capital improvements which could have been charged to the FVPP was erroneously charged to the YWCA.

Auditor's Recommendation

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants and all accounting transactions be entered on the agency's computerized accounting system.

Travel Reimbursement

11. We noted one employee was overpaid \$16.12 for travel reimbursement and another employee was underpaid \$10.00 for travel reimbursement.

Auditor's Recommendation

We recommend the YWCA follow their travel reimbursement policy.

Expenditure Posted to Incorrect Program

12. We noted one instance in which a \$23.65 expenditure for the Youth Services Program was charged to the DHHR 2001

grant. The DHHR grant only allows for expenditures for the Family Violence Prevention Program.

Auditor's Recommendation

We recommend the YWCA comply with the Direct Service Grant Agreement with DHHR.



**STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES**

**Cecil H. Underwood
Governor**

Office of the Secretary
State Capitol Complex, Building 3, Room 208
Charleston, West Virginia 25305
Telephone: (304) 558-0684 Fax: (304) 558-1130

**Juan E. Ohl
Secretary**

January 2, 2001

Mr. Thedford L. Shanklin, CPA, Director
Legislative Post Audit Division
State Capitol Building, Room W-329
Charleston, West Virginia 25305

Dear Mr. Shanklin:

Thank you for the opportunity to comment on the preliminary draft of the General Remarks section of the completed report of the Young Women's Christian Association, Family Violence Prevention Program of Wheeling, West Virginia, for the period July 1, 2000 through October 31, 2000. I also appreciate the efforts of you and your staff to complete this audit in a timely manner, an audit which I requested by memorandum dated September 13, 2000 to President Tomblin and Speaker Kiss. And, I understand that it was necessary to rearrange the workload of your office to accomplish this feat.

We accept and acknowledge the auditors' recommendation that the Wheeling - YWCA comply with the Department of Health and Human Resources' Direct Service Grant Agreement and the Temporary Assistance for Needy Families' Grant Agreement. The Office of Social Services and the Office of Family Support, which administer these grants, will aggressively monitor the YWCA in the upcoming year to ensure that the recommendations of the auditors are followed. Also, in the future if any exceptions are made to the grant agreements by DHHR staff, they will be confirmed in writing.

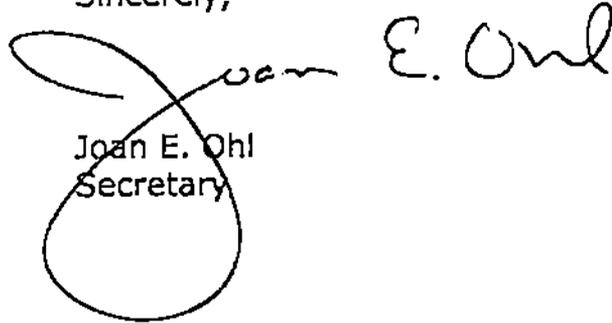
In addition, I have directed the Office of the Inspector General and the Office of Financial Services to take appropriate steps to recoup monies which were incorrectly charged to the DHHR and the TANF grants. This action concurs with the auditors' recommendation that duplicate charges be eliminated and reimbursement be made to the grantor in the amount of the unexpended funds.

Mr. Thedford L. Shanklin
January 2, 2001
Page 2

I expect that the Wheeling YWCA Board will follow the recommendations of this report and establish strong internal fiscal controls. And, for this current fiscal year and forward, DHHR will require an audit in compliance with OMB-133.

Again, thank you for the opportunity to comment on this report. My best to you.

Sincerely,

A handwritten signature in black ink, appearing to read "Joan E. Ohi". The signature is written in a cursive style with a large loop at the beginning and end.

Joan E. Ohi
Secretary

JEO/skp

cc: Danny C. Franco
Jack B. Frazier
Edgar D. Van Camp

Division of
**CRIMINAL
JUSTICE
SERVICES**
Departments of Military Affairs
& Public Safety

January 4, 2001

Mr. Thedford L. Shanklin, CPA, Director
Legislative Post Audit Division
Capitol Complex, Building 1, Room W-329
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305

Dear Mr. Shanklin:

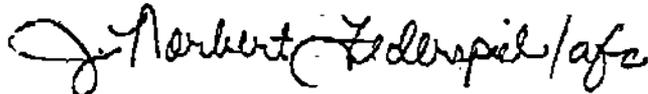
This letter shall serve as the Division of Criminal Justice Services' response to the preliminary draft of the "general remarks" section of the completed report of the Young Women's Christian Association (YWCA), Family Violence Prevention Program (FVPP) of Wheeling, West Virginia. This report covered the period July 1, 2000, through October 31, 2000.

The Division of Criminal Justice Services (DCJS) acknowledges noncompliance findings (3), (4), (5), (7), and (8) directly affect sub-grants awarded to the YWCA by DCJS. The goal of DCJS is to help ensure that family violence prevention services are provided to communities in Wheeling, West Virginia while ensuring DCJS grant funds are expended appropriately. DCJS will work with the Department of Health and Human Resources to correct the current problems identified in your preliminary draft report and establish measures to prevent future problems.

In order to gain a better understanding of what DCJS must do to remedy the reported noncompliance findings, our staff will be contacting you in the near future to discuss the findings in more detail.

Should you or your staff have any additional questions regarding the preliminary draft report, or the final report once released, please don't hesitate to contact me at (304) 558-8814, extension 202 or Michael Cutlip, Deputy Director of Programs, at extension 222.

Sincerely,



J. Norbert Federspiel
Director

JNF:MWC/afc

cc: Subgrant file(s)



J. Norbert Federspiel, Director
1204 Kanawha Boulevard East
Charleston, West Virginia 25301

Cecil H. Underwood, Governor

Phone: (304) 558-8814
Fax: (304) 558-8391

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING

FAMILY VIOLENCE PREVENTION PROGRAM

GENERAL REMARKS

INTRODUCTION

We have completed an examination of the Young Women's Christian Association of Wheeling - Family Violence Prevention Program. The examination covered the period July 1, 2000 through October 31, 2000.

COMPLIANCE MATTERS

We tested applicable sections of the Temporary Assistance for Needy Families (TANF) grants, Direct Service Grant Agreement (DHHR) and Division of Criminal Justice Services (CJ) grants for money spent during July 1, 2000 through October 31, 2000. In addition, we tested applicable chapters, articles and sections of the Federal Guidelines as they pertain to the findings listed below.

No Written Accounting Procedures

During our examination it became apparent to us, based on observed noncompliance with provisions of the above grants, the YWCA did not have written accounting, procurement, and internal control procedures in place to ensure compliance with provisions of the above grants.

The grants state in part:

"All Grantee costs charged to this Agreement must conform to all of the provisions of OMB Circular A-122, "Cost Principles for Non-Profit Organizations" as codified in 45 CFR Part 74.27 and the provisions of OMB Circular A-110 "Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" as codified in 45 CFR Part 74 "Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Non-Profit Organizations, and Commercial Organizations; and Certain Grants and Agreements with States, Local Governments and Indian Tribal Governments." For profit entities shall comply with this section...."

In addition, 45 CFR Part 74.44 states in part,

"(a) All recipients shall establish written procurement procedures...."

During our examination of the YWCA Family Violence Prevention Program, we noted the following noncompliance with grant provisions: **(1)** The YWCA paid a total of \$114,112.36 from TANF grant money for the renovation of the shelter without obtaining competitive bids or receiving prior approval from DHHR. **(2)** We noted eight employees were overpaid a total of \$4,866.87 in their terminal lump-sum payment. **(3)** Eleven instances totaling \$2,523.40 were noted of the YWCA charging the same expenditure to more than one grant. **(4)** The YWCA could not provide supporting documentation for \$3,633.98 in expenditures made from the TANF, DHHR, and CJ grants. **(5)** We noted the YWCA did not comply with the Criminal Justice 1999 grant relating to the audit requirements. **(6)** The

time sheets maintained by the Family Violence Prevention Program do not indicate the time worked in relation to each respective grant from which the employee is being paid. (7) With the exception of one employee, all retirement for the FVPP employees is being paid from the DHHR grant even though salaries in some instances are paid from other grants. (8) We noted the DHHR 2001 and CJ 2001 grants were overcharged \$4,677.26 and \$1,254.59, respectively, for employee salaries. The TANF 2001 grant was undercharged \$5,055.64 for employee salaries. (9) The YWCA did not post \$6,995.04 in FVPP expenditures that were charged to the DHHR 2001 and TANF 2001 grants and to the agency's computerized accounting system. In addition, expenditures totaling \$3,689.17 for capital improvements were erroneously charged to the TANF 2000 grant. However, \$3,937.83 in capital improvements which could have been charged to FVPP were erroneously charged to the YWCA. (10) One employee was overpaid \$16.12 and another employee was underpaid \$10.00 for travel reimbursement. (11) We noted one instance of a \$23.65 expenditure for the Youth Services Program being charged to the DHHR 2001 grant.

We recommend the Agency establish written accounting, procurement, and internal control procedures to ensure compliance with the provisions of the grants.

TANF Monies Used for Capital Expenditures

The YWCA expended a total of \$114,112.36 from Temporary Assistance for Needy Families (TANF) grant monies, (\$90,446.36 for FY 2000 and \$23,666.00 for FY 2001), for the renovation of the shelter without obtaining competitive bids as required, and any written approval from the grantor. The renovation included new electric service, textured ceilings, ceiling fans, carpeting, installation of a security system, painting, and removal of a wall.

The grant agreement's Standards for Financial Management Subsection A - Financial Accountability and Cost Principles - Non-Profit Organizations states in part,

"All Grantee costs charged to this Agreement must conform to all of the provisions of OMB Circular A-122, "Cost Principles for Non-Profit Organizations" as codified in 45 CFR Part 74.27 and the provisions of OMB Circular A-110 "Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" as codified in 45 CFR Part 74 "Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Non-Profit Organizations, and Commercial Organizations; and Certain Grants and Agreements with States, Local Governments and Indian Tribal Governments." For profit entities shall comply with this section...."

In addition, 45 CFR Part 74.44 states in part,

". . .(e) Recipients shall, on request, make available for the HHS awarding agency, pre-award review, procurement documents such as requests for proposals or invitations for bids, independent cost estimates, etc., when any of the following conditions apply: . . .

(2) The procurement is expected to exceed the simplified acquisition threshold fixed at 41 U.S.C. 403 (11) (currently \$100,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation. . . .

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the simplified acquisition threshold."

Also, Item 15 of the Selected Items of Cost in the OMB Circular A-122 titled Equipment and other capital expenditures, states in part:

"d. Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior approval of the awarding agency . . . "

The TANF 2000 grant also states in part,

". . . II. ASSURANCES (E) Provider shall comply with all state statutes and regulations, including the Central Child Abuse Registry (WV Code §15-2C-1, et seq.); applicable staff and facility licensing; established program standards; and Department policies applicable to the services provided...."

Furthermore, Chapter 5A, Article 3, Section 10 of the West Virginia Code which governs the manner in which purchases on behalf of The State are made, states in part,

"A purchase of and contract for commodities, printing and services shall be based, whenever possible, on competitive bids.

The director shall solicit sealed bids for the purchase of commodities and printing which is estimated to exceed ten thousand dollars...."

The YWCA did not comply with the Office of Management and Budget (OMB) Circular A-122, and the aforementioned 45 CFR Part 74.44 as required by the grant, which requires prior approval from Grantor for the renovation of the shelter, and obtaining competitive bids for the work. Since no bids were obtained, there is no way to document that the best price was obtained for the work performed.

It was reported that DHHR staff authorized FVPP to proceed with the renovations without obtaining bids, because the funds were expiring. However, the YWCA was unable to provide any documentation to verify the approval.

We recommend the YWCA comply with the grant agreement's Standards for Financial Management Subsection A - Financial Accountability and Cost Principles - Non-Profit Organizations; 45 CFR Part 74.44; Section 15 of the OMB Circular A-122 titled Equipment and other capital expenditures; and, Chapter 5A, Article 3, Section 10 of the West Virginia Code.

Incorrect Calculation of Terminal Leave Pay

We noted eight employees were overpaid a total of \$4,866.87 in their lump-sum payment for terminal leave as follows:

<u>Employee</u>	<u>Amount Paid</u>	<u>Recalculated Amount</u>	<u>Amount Over Paid</u>
Employee #1	\$4,102.36	\$1,687.18	\$2,415.18
Employee #2	1,530.74	484.01	1,046.73
Employee #3	1,161.36	345.02	816.34
Employee #4	307.69	150.47	157.22
Employee #5	366.62	228.19	138.43
Employee #6	359.12	225.07	134.05
Employee #7	307.81	222.61	85.20
Employee #8	224.19	150.47	<u>73.72</u>
Total Over Paid			<u>\$4,866.87</u>

According to the YWCA policy, Section 5:03 VACATIONS of the YWCA Personnel Policy, states in part:

“. . . 2. Salaried employees accrue vacation on a monthly basis in accordance with the following schedule:

<u>Length of Service</u>	<u>Number of Days Per Year</u>
1-2 years	10 days
3-5 years	12 days
6-10 years	15 days
More than 10 years	20 days. . .

. . . 5. All full-time employees who terminate employment will be paid all accrued annual leave benefits. . . .”

We noted the YWCA is crediting the employee's leave record on the first day of the fiscal year for all leave that is expected to be accrued for the entire year instead of accruing leave as it is earned on a monthly basis in accordance with their policy.

Our review of the terminal leave calculations for the employees indicated the YWCA also paid the former employees for their personal days and holidays. However, the YWCA Personnel Policy does not allow for this. These incorrect calculations resulted in overpayments ranging between \$73.72 and \$2,415.18 for the eight employees. The business manager stated the overpayments were due to accrual and rounding errors.

We recommend the YWCA comply with Section 5:03 VACATIONS, of its Personnel Policy. We also recommend every possible effort be made to collect the overpayments and refund the money to the grant from which the overpayment was made.

Overcharging the Grants for Expenditures

We noted 11 instances totaling \$2,523.40 of the YWCA charging the same expenditure to more than one grant. Training totaling \$410.00 was charged to both the TANF 2000 and CJ 2001 grant. Three invoices for postage and supplies totaling \$168.16 were charged to both the TANF 2000 and DHHR 2001 grants. Four months rent in the amount of \$1,166.68 for office and shelter space was charged to both the DHHR 2001 and TANF 2001 grants. Telephone expense totaling \$469.00 was charged to the DHHR 2001 and TANF 2001 grants. We also noted the TANF 2001 grant was charged \$309.56 for workers compensation when this amount was previously included in a previous charge of \$619.12.

The DHHR 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The CJ 2001 grant conditions and assurances section states in part,

". . . (14) ACCOUNTING REQUIREMENTS. "Grantee agrees to record all project funds and costs following generally accepted accounting procedures. A separate account number or cost recording must separate all project costs from the grantee's other or general expenditures. Adequate documentation for all project costs and income must be maintained. Adequate documentation of financial and supporting material as defined in the pertinent Administrative Manual must be retained and be available for audit purposes. . . ."

Furthermore, the TANF 2000 grant states in part,

". . . VIII. PAYMENT (D). "Provider shall submit a final adjustment/reconciliation of payments by June 30, 2000. Payments shall not exceed expenditures. . . ."

The YWCA charged a total of \$2,523.40 for the same expenditures to more than one grant, which would result in receiving funds twice for the same expenditures. According to the business manager, she was not sure how this error occurred.

We recommend the YWCA comply with the accounting requirements/financial records sections for the TANF, DHHR, and CJ grants. We further recommend the duplicate charges be eliminated and reimbursement be made to the grantor in the amount of the unexpended funds.

**No Supporting Documentation for Family
Violence Prevention Program**

The YWCA could not provide supporting documentation for \$3,633.98 in expenditures made from the TANF, DHHR, and CJ grants. The amount charged against the respective grants was as follows: TANF \$2,410.73, DHHR \$996.99 and CJ \$226.26. Reportedly, these expenditures consisted of advertising, supplies, travel/training, and telephone but there was no documentation to verify the purpose or amount of the expenditure. In addition, we noted the FVPP program is not submitting the appropriate back-up documentation, such as canceled checks, with their request for reimbursement from CJ.

The Special Conditions and Assurances section of the Criminal Justice grant states in part,

" . . . (14.) ACCOUNTING REQUIREMENTS. "Grantee agrees to record all project funds and costs following generally accepted accounting

procedures. A separate account number or cost recording must separate all project costs from the grantee's other or general expenditures. Adequate documentation for all project costs and income must be maintained. Adequate documentation of financial and supporting material as defined in the pertinent Administrative Manual must be retained and available for audit purposes. . . ."

Also, the Special Conditions and Assurances section of the Criminal Justice grant states in part,

" . . . (12.) The subgrantee is required to submit monthly financial reports to DCJS by the 20th day of each month which are to include: . . . (3) Back-Up Documentation - appropriate documentation, such as time sheets, payroll registers, mileage vouchers, receipts, canceled checks, etc., must be submitted to substantiate any grant expenditures. . . ."

The DHHR 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

Since there is no supporting documentation for grant expenditures totaling \$3,633.98, there is no way of determining that monies were expended as reported, and this could result in the agency having to reimburse the money to the respective grantor. The Business Manager was unable to locate the support documentation and believes the documentation may have been improperly filed. She also stated Criminal Justice did not require the YWCA to submit copies of the canceled checks.

We recommend the YWCA comply with the accounting requirements and Special Conditions and Assurances sections of the Criminal Justice Grant and the Financial Records sections of the TANF and DHHR grants for the FVPP.

Audit Requirements

We noted the YWCA did not comply with the audit requirements of the Criminal Justice 1999 grant.

The CJ Special Conditions and Assurances section of the grant states in part,

" . . . GRANTEE: 3. "Audit: It is the responsibility of the grantee to provide for the performance of an independent audit in compliance with OMB A-102 and A-133 Audit Requirements. The grantee further agrees to submit a copy of each audit conducted to the Criminal Justice and Highway Safety Division along with a systematic method for timely and appropriate resolution of audit findings and recommendations. . . . "

The audit completed was not in compliance with this section of the CJ grant, and this may result in the FVPP not being

eligible to receive future grant money from Criminal Justice. According to agency personnel at Criminal Justice, the Special Conditions and Assurances section of the grant does require an audit in compliance with OMB A-133. The business manager stated the YWCA had requested and received an exemption from DHHR for the same requirement in the DHHR grant. However, the YWCA did not know this was required for the CJ grant and, therefore, did not request an exemption.

We recommend the YWCA comply with the Special Conditions and Assurances section of the CJ grant.

Time Sheet Information

We noted the time sheets maintained by the Family Violence Prevention Program do not indicate the time worked in relation to each respective grant from which the employee is being paid. Not maintaining time sheets that reflect the actual time worked and charged to each grant may not allow the agency to support the employee's salary charged to the grant.

The DHHR 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants for the FVPP and maintain time sheets that reflect the actual amount of time charged to each grant from which the employee is paid.

Retirement Benefits

We noted, with the exception of one employee, all retirement for the FVPP employees is being paid from the DHHR grant. The line item budget for DHHR allows for the payment of salaries for six employees totaling \$88,788. In addition, the line item budget allows for the payment of fringe benefits including retirement for the employees being paid from the DHHR grant.

However, the YWCA charged the DHHR grant for other employee's retirement even though the respective employees are being paid from another grant. This resulted in the DHHR grant being overcharged \$2,681.92 for employee retirement benefits. We also noted the CJ 2001 grant was undercharged \$1,625.54 for employee retirement, this portion of retirement was charged to the DHHR 2001 grant.

The DHHR 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

" . . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

According to the business manager, the retirement for all the FVPP employees was written into the DHHR grant by the former FVPP Director. Each respective grant should be charged for the proportional share of each employees fringe benefits, including retirement, based on the portion of the employee's salary paid from each grant.

We recommend the YWCA comply with the financial records sections of the TANF and DHHR grants for the FVPP. In addition, we recommend each respective grant be charged for the proportional share of each employees fringe benefits, including retirement, based on the portion of the employee's salary paid from each grant.

Employee Salaries

We noted the DHHR 2001 and CJ 2001 grants were overcharged \$4,677.26 and \$1,254.59 respectively, for employee salaries. The TANF 2001 grant was undercharged \$5,055.64 for employee salaries. The overcharges totaling \$4,866.87 were due to overpayments on terminal leave. The remaining amount resulted from the YWCA charging 100% of an employee's salary to the DHHR and CJ grants at the beginning of the grant period, instead of properly allocating the salary proportionally as it is earned over the year. For example, for an employee who should be paid 80% from the DHHR or CJ grant, the agency would post 100% of the employee's salary each month until the total amount authorized for the year had been reached, then the employee's salary would be posted to another grant. This resulted in salaries being charged to the DHHR and CJ grants, before the corresponding services had been provided.

The DHHR 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported

by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants for the FVPP and properly allocate salaries as authorized by the grants.

Expenditures Not Posted

The YWCA did not post \$6,995.04 in FVPP expenditures, that were charged to the DHHR 2001 and TANF 2001 grants, to the agency's computerized accounting system. In addition, expenditures totaling \$3,689.17 for capital improvements were erroneously charged to the TANF 2000 grant. However, \$3,937.83 in capital improvements which could have been charged to the FVPP was erroneously charged to the YWCA. Not accounting for expenditures incurred can result in the agency not being able to properly account for grant money expended. The business manager stated this was due to an oversight.

The DHHR 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Provider will maintain a set of accounting records that adequately identifies the source of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

The TANF 2001 grant states in part,

". . . VII. FINANCIAL RECORDS (A.) The Grantee will maintain a set of accounting records that adequately identifies the source

of and expenditure of all funds related to this Agreement. All records will be supported by some documentation. Actual costs must be reasonable and necessary for the efficient administration of the Agreement. . . ."

We recommend the YWCA comply with the Financial Records sections of the TANF and DHHR grants and all accounting transactions be entered on the agency's computerized accounting system.

Travel Reimbursement

We noted one employee was overpaid \$16.12 for travel reimbursement and another employee was underpaid \$10.00 for travel reimbursement. In both cases, the error was the result of the wrong mileage rate being utilized on the travel reimbursement form.

The YWCA policy 5.08 for travel reimbursement states in part,

" . . . (1.) "Reimbursable expenses include activity fees transportation, mileage at .26, tolls, and parking, meals, lodging, business related telephone calls, registration and tuition cost. . . ."

The effect of not paying employees at the correct mileage rate can result in employees being over and under paid for expenses incurred. According to the business manger the under and over payments were due to calculation errors.

We recommend the YWCA follow their travel reimbursement policy.

Expenditure Posted to Incorrect Program

We noted one instance in which a \$23.65 expenditure for the Youth Services Program was charged to the DHHR 2001 grant. The DHHR grant only allows for expenditures for the Family Violence Prevention Program.

The Direct Service Grant Agreement states in part,

"THIS AGREEMENT, to be effective July 1, 2000, by and between the West Virginia Department of Health and Human Resources, Bureau for Children and Families, Office of Social Services (hereinafter referred to as "Department") and **YWCA - Family Violence Prevention Program** (hereinafter referred to as "Provider"), establishes the responsibilities of both parties of this Agreement. This Agreement shall remain in effect for the period of July 1, 2000, through June 30, 2001...."

The effect of posting expenditures for another program to the DHHR grant may result in the YWCA being required to reimburse the grant for the unauthorized expenditure. The business manager stated the posting of another program expenditure to the DHHR grant was due to a posting error.

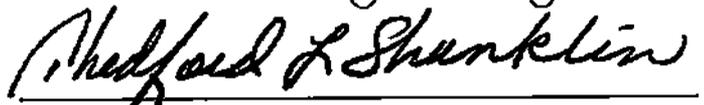
We recommend the YWCA comply with the Direct Service Grant Agreement with DHHR.

STATE OF WEST VIRGINIA

OFFICE OF THE LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Post Audit Division, do hereby certify that the report appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 7th day of January 2000.


Thedford L. Shanklin, CPA, Director

Copy forwarded to the Secretary of the Department of Administration to be filed as a public record. Copies forwarded to the Secretary of the Department of Health and Human Resources; Governor; Attorney General; and, State Auditor.