



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued July 7, 2017

Massachusetts Office for Victim Assistance

For the period July 1, 2014 through June 30, 2016





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Making government work better

July 7, 2017

Mr. Liam T. Lowney, Executive Director
Massachusetts Office for Victim Assistance
One Ashburton Place, Suite 1101
Boston, MA 02108

Dear Mr. Lowney:

I am pleased to provide this performance audit of the Massachusetts Office for Victim Assistance. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, July 1, 2014 through June 30, 2016. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Massachusetts Office for Victim Assistance for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMBump".

Suzanne M. Bump
Auditor of the Commonwealth

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
OVERVIEW OF AUDITED ENTITY	2
AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY	4
DETAILED AUDIT FINDINGS WITH AUDITEE’S RESPONSE.....	6
1. The Massachusetts Office for Victim Assistance had incomplete documentation to support grant eligibility.	6
2. MOVA had inadequate documentation to support grant expenditures.	9

LIST OF ABBREVIATIONS

IRS	Internal Revenue Service
MMARS	Massachusetts Management Accounting and Reporting System
MOVA	Massachusetts Office for Victim Assistance
OSA	Office of the State Auditor
SAFEPLAN	Safety Assistance for Every Person Leaving Abuse Now
VWAB	Victim Witness Assistance Board

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted an audit of certain activities of the Massachusetts Office for Victim Assistance (MOVA) for the period July 1, 2014 through June 30, 2016. According to its website, MOVA was established by Section 4 of Chapter 258B of the General Laws “to advocate for and assist victims of crime.” During our audit period, MOVA awarded 26 sub-recipient grants, totaling \$4,351,582, from both state and federal funds.

The purpose of this audit was to determine whether MOVA properly ensured that sub-recipients¹ met all eligibility requirements and submitted all documentation before it awarded them grant funding. Additionally, we sought to determine whether MOVA obtained all required supporting documentation from its sub-recipients before reimbursing them for eligible grant expenses.

Below is a summary of our findings and recommendations, with links to each page listed.

Finding 1 Page 6	MOVA had incomplete documentation to support grant eligibility.
Recommendations Page 8	<ol style="list-style-type: none">1. MOVA should ensure that the information provided on both the Request for Response form and the Safety Assistance for Every Person Leaving Abuse Now (SAFEPLAN) grant application is consistent and should give sub-recipients clear and concise instructions for submitting all required documentation to meet eligibility requirements.2. MOVA should improve its oversight in identifying missing SAFEPLAN grant-eligibility forms and tracking follow-up requests for required documentation.3. MOVA should ensure that its original Commonwealth standard contracts are signed and dated by both the grant sub-recipient and MOVA before awarding grant funding.4. MOVA should assign an additional individual to ensure compliance with all applicable laws and regulations.
Finding 2 Page 9	MOVA had inadequate documentation to support grant expenditures.
Recommendation Page 10	MOVA should take the measures necessary to ensure that it fully complies with documentation requirements for the reimbursement of grant-related expenses.

1. MOVA receives funding that it provides to eligible nonprofit organizations, called sub-recipients, in grants from SAFEPLAN. Sub-recipients in turn perform work that is aligned with the purpose for which MOVA received the funding: to provide services to victims of crime.

OVERVIEW OF AUDITED ENTITY

The Massachusetts Office for Victim Assistance (MOVA) was established in 1984 by Section 4 of Chapter 258B of the Massachusetts General Laws. It is governed by a five-member board that is chaired by the Attorney General of the Commonwealth. The board's role is to appoint an executive director and provide oversight of MOVA's activities, including determining which organizations will receive funding to provide assistance to victims of crime.

MOVA is responsible for overseeing Safety Assistance for Every Person Leaving Abuse Now (SAFEPLAN), a community-based program that assists victims of domestic violence, sexual assault, and stalking. During our audit period, MOVA awarded 26 sub-recipient grants, totaling \$4,351,582, from both state and federal funds. Of the total grant amount awarded, MOVA authorized \$1,599,726 to reimburse its sub-recipients for allowable grant expenditures.

To be considered for an award through the SAFEPLAN grant, applicants must prove that they are nonprofit organizations, must have a history of providing services to victims of crime, and must not be on the state or federal debarment² or suspension list.³ During the audit period, each applicant was required to submit a SAFEPLAN application and attachments, including a budget of expected costs to administer the services provided to the victims of crime. Applications are reviewed by an internal review team consisting of MOVA staff members and an external review team consisting of people who are experienced in victim services. The internal review team then prepares a list of the sub-recipients that were determined to be most qualified for the award. MOVA's executive director presents the list to the Victim Witness Assistance Board (VWAB) for final approval. Once VWAB has approved the list, an award letter is sent to each sub-recipient requesting any additional documentation, including a signed and dated Commonwealth Standard Contract Form.

The SAFEPLAN sub-recipients who were awarded grant funding employ advocates who are specially trained and certified to help victims of domestic violence, sexual assault, and stalking. The advocates work directly with victims to navigate the legal process of obtaining harassment-prevention and restraining orders. During our audit period, SAFEPLAN advocates were based in various district and

2. A debarment list is a list of vendors that state and federal agencies should not enter into contracts with because of improper conduct, including, but not limited to, fraud, collusion, attempts to influence a bid process, or an indictment by the bidder/contractor.

3. A suspension list includes vendors that are temporarily prohibited from bidding on, receiving, or participating in state or federally funded contracts or grants, pending the completion of an investigation or legal or administrative proceedings.

probate courts across the Commonwealth. In addition, the sub-recipients are responsible for ensuring that all grant funds expended are properly accounted for by adhering to MOVA's administrative policies and procedures.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor (OSA) has conducted a performance audit of certain activities of the Massachusetts Office for Victim Assistance (MOVA) for the period July 1, 2014 through June 30, 2016.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer, the conclusion we reached regarding each objective, and where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did MOVA ensure that for the state-funded portion of the Safety Assistance for Every Person Leaving Abuse Now (SAFEPLAN) program, grant sub-recipients met all applicable eligibility requirements and provided all required documentation to MOVA before funding was awarded?	No; see Finding 1
2. Were MOVA's SAFEPLAN grant reimbursements for fiscal years 2015 and 2016 from state appropriations allowable, and were travel costs processed in accordance with MOVA's guidelines, policies, and procedures?	No; see Finding 2

To achieve our objectives, we gained an understanding of MOVA and its environment. We evaluated the design of the internal controls we deemed significant to our audit objectives and tested the effectiveness of controls over SAFEPLAN grant reimbursements. In addition, we performed the following procedures:

- We tested all 26 SAFEPLAN grants awarded during the audit period by reviewing the grant documents submitted by the sub-recipients. We reviewed the original contracts to determine whether they had been properly completed and filed in accordance with the Commonwealth's Standard Contract Form.
- We compared the documentation submitted by all 26 sub-recipients to the required eligibility documentation listed on MOVA's SAFEPLAN Program Application for Funding, which includes

the Application Attachment Checklist. We determined whether hardcopy or electronic grant-eligibility documentation had been completed and submitted in accordance with SAFEPLAN grant application requirements.

- To determine whether grant expenditures were allowable and in accordance with SAFEPLAN policies and procedures, we randomly selected a nonstatistical sample of 20 out of 136 reimbursement packages⁴ submitted by sub-recipients and processed through the Massachusetts Management Accounting and Reporting System (MMARS). Because the sample was nonstatistical, we did not project the results of our samples to the entire population. We reviewed each package for adequate supporting documentation (including copies of original timesheets, travel and parking vouchers, invoices, bills, and office and equipment lease agreements) to determine whether MOVA had obtained conclusive evidence to ensure that grant costs were allowable before processing payments to sub-recipients.

Based on OSA's most recent data-reliability assessment of MMARS, and our current comparison of source documentation with MMARS information, we determined that the information obtained from MMARS for our audit period was sufficiently reliable for the purposes of our audit work.

4. Reimbursement packages include all of the timesheets, invoices, travel vouchers, and other documentation of expenses incurred by the sub-recipients over a certain amount of time, such as a month or a quarter.

DETAILED AUDIT FINDINGS WITH AUDITEE’S RESPONSE

1. The Massachusetts Office for Victim Assistance had incomplete documentation to support grant eligibility.

Of the 26 sub-recipient files we reviewed, 6 did not contain all the required eligibility documentation. Specifically, 3 of the 6 files were each missing one required eligibility document (a letter of support from a district attorney, a volunteer job description, or client confidentiality policies), and 3 of the 6 files were missing Attorney General Division of Public Charities forms and copies of Internal Revenue Service (IRS) Form 990. The Massachusetts Office for Victim Assistance (MOVA) requires applicants to submit these documents to be eligible for Safety Assistance for Every Person Leaving Abuse Now (SAFEPLAN) grants. MOVA uses the documents to determine whether applicants are fully qualified to provide SAFEPLAN services. By not obtaining and reviewing required documentation, MOVA may have provided funding to organizations that were not qualified to provide SAFEPLAN services.

In addition, MOVA did not have an original Standard Contract Form for a sub-recipient that received \$167,178 in funding. Rather, it only had a photocopy of this form. MOVA also accepted an undated contract from a sub-recipient that was awarded \$185,052. Without maintaining copies of properly executed grant records, MOVA may not be able to administer these agreements properly (e.g., to make sure that no payments are made before the effective date of the grant or that sufficient documentation exists to demonstrate compliance with applicable requirements).

Authoritative Guidance

The instructions for MOVA’s SAFEPLAN program, titled “Request for Response” in fiscal year 2015 and “Request for Grant Applications” in fiscal year 2016, both state that applicants are required to submit the following items.

Adherence to SAFEPLAN Policies and Procedures Manual
Letters of Support (two from district courts and one from a district attorney)
Letter from Host Agency (sub-recipient) Leadership
Contractor Authorized Signatory Listing Form
Request for Taxpayer Identification Number and Certification (W-9) Form
Certifications Regarding Lobbying, Debarment, and Suspension Form
Federal Office for Civil Rights Certification Form

Proposed Funding Request with Budget Narrative
Agency and SAFEPLAN Program Organization Structure Charts
Paid SAFEPLAN Staff Job Descriptions and Resumes
Unpaid/Volunteer SAFEPLAN Advocate and Program Staff Job Descriptions and Resumes
Client Release of Information Form
Client Confidentiality Policy
Proposed Court Coverage Agreement
Audit Report (most recent complete fiscal year)
Attorney General Division of Public Charities Form Confirmation
IRS Form 990
Agency / Domestic Violence Brochures
Agency Travel and Holiday Policies

The Commonwealth of Massachusetts Standard Contract Form instructions (which apply to all statewide contracts and grants, including those between MOVA and its sub-recipients) state, in part,

*The Authorized Contractor Signatory must (in their own handwriting and in ink) sign AND enter the date the Contract is signed. . . . **Rubber stamps, typed or other images are not acceptable.***

Section 10.02 of Title 815 of the Code of Massachusetts Regulations defines “record copy” as “the original, certified copy, or other medium prescribed by the [State] Comptroller, of a Bill, Voucher or Contract and all supporting documentation associated with that Record Copy.”

MOVA’s internal control plan dated June 18, 2015 states,

Upon availability of grant funding, the Director of Grants Management assures all contracts are reviewed and signed, terms and conditions are met, and all necessary documentation and communication, reporting is provided as requested.

Reasons for Noncompliance

According to MOVA officials, the missing IRS forms and Attorney General Division of Public Charities forms were the result of a discrepancy between the requirements on its Request for Response form and those on its SAFEPLAN grant application. Specifically, the Request for Response form requested the organization’s most recently filed IRS Form 990 and Attorney General Division of Public Charities form, whereas the grant application requested the two forms from a specific year. Further, MOVA did not

adequately follow up with sub-recipients regarding the submission of missing grant-eligibility documentation.

Regarding contract review, MOVA officials stated that it was because of an administrative oversight that it did not properly obtain and keep original and dated copies of all contracts. Its contract review process did not detect these deficiencies because it relied on a single individual to review contracts.

Recommendations

1. MOVA should ensure that the information provided on both the Request for Response form and the SAFEPLAN grant application is consistent and should give sub-recipients clear and concise instructions for submitting all required documentation to meet eligibility requirements.
2. MOVA should improve its oversight in identifying missing SAFEPLAN grant-eligibility forms and tracking follow-up requests for required documentation.
3. MOVA should ensure that its original Commonwealth standard contracts are signed and dated by both the grant sub-recipient and MOVA before awarding grant funding.
4. MOVA should assign an additional individual to ensure compliance with all applicable laws and regulations.

Auditee's Response

MOVA believes that there was adequate documentation to support grant eligibility. The sub-recipient files at issue were for renewals of SAFEPLAN grants for non-profits, which were previously determined to be eligible and accordingly were performing under grants. MOVA recognizes that the issue of grant eligibility for renewals is separate from the issue of eligibility for non-profits already performing under grants. . . .

In order to avoid any inconsistencies in wording and lack of clarity in requirements, including eligibility requirements such as the [Public Charities] form, MOVA will create [a Request Grant Application] template, which will be thoroughly vetted and reviewed in the organization, including management. . . .

MOVA has implemented a contract checklist and sign off process to ensure contracts are complete prior to execution. . . .

MOVA is reviewing the issue of compliance in its organization and how best to address it.

Auditor's Reply

Although the six files in question were for renewal applications to MOVA's SAFEPLAN program, state contract requirements, as well as MOVA's own current policies and procedures, require properly executed contracts, including all required documentation, to be provided by the applicant and retained

by MOVA, regardless of whether the applicant submitted an initial or a renewal application. Based on its response, MOVA is taking some measures to address our concerns in this area, but we urge it to consider implementing all of our recommendations to better ensure the proper administration of this grant process.

2. MOVA had inadequate documentation to support grant expenditures.

During our audit period, MOVA approved \$35,208 in reimbursements to six sub-recipients without receiving sufficient documentation to determine whether costs were for allowable program expenses. For \$3,205 in expenses that were submitted on eight different reimbursement requests, the missing documentation included copies of original signed timesheets, travel and parking vouchers from advocates, invoices for telecommunications expenses and program supplies, and lease agreements for office space and equipment. Further, MOVA accepted one expense report totaling approximately \$32,000 from a grantee that merely listed the expenses incurred, without the details necessary to ensure that all of the expenses were allowable. Without supporting documentation, MOVA cannot ensure that all reimbursements made to sub-recipients were for allowable grant expenditures.

Authoritative Guidance

MOVA's SAFEPLAN Policies and Procedures Manual (effective July 1, 2015)⁵ states, in part,

Funds will be disbursed over time as the sub-recipient incurs costs, and submits an expenditure report to MOVA with back-up documentation . . .

Sub-recipients will then be reimbursed by MOVA for actual costs incurred.

The manual provides additional guidance for submitting timesheets, as follows:

Time sheets must reflect after-the-fact determination of actual activity of each employee, which means that time sheets must clearly indicate the amount of time spent on SAFEPLAN program activities for full or part-time.

Time sheets must state the program name "SAFEPLAN" (or identified cost center or code) along with the grant name . . . and be signed by a supervisor.

5. The previous SAFEPLAN Policies and Procedures Manual effective during a portion of our audit period was consistent with the version that went into effect July 1, 2015.

Reasons for Noncompliance

MOVA's management stated that they believed they had sufficient supporting documentation before they authorized reimbursements for expenditures. They said they believed that summary information and other documents submitted by sub-recipients—such as electronic expenditure reports, which list costs for which reimbursement is requested—were sufficient to authorize payment.

Recommendation

MOVA should take the measures necessary to ensure that it fully complies with documentation requirements for the reimbursement of grant-related expenses.

Auditee's Response

While MOVA believed that there was sufficient documentation to support cost reimbursement, MOVA will ensure that adequate documentation, such as time sheets, invoices and paid bills, are provided to support reimbursement of costs. . . .

MOVA is reviewing policies and procedures to make it clear what documentation must be submitted to support cost reimbursement.