

Audit Report

The Bridge Over Troubled Waters, Inc.

A Texas Health and Human Services
Commission Family Violence Program
Contractor



**Inspector
General**

Texas Health
and Human Services

August 30, 2023

OIG Report No. AUD-23-035



The Bridge Over Troubled Waters, Inc.

A Texas Health and Human Services Commission Family Violence Program Contractor

Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) initiated this audit in response to its annual risk assessment process and to gain audit coverage of grant contracts awarded by the Texas Health and Human Services Commission (HHSC).

The Bridge Over Troubled Waters, Inc. (The Bridge) is a Texas Health and Human Services Commission (HHSC) Family Violence Program contractor that provides crisis intervention, emergency shelter, and support services to families in Harris County, Texas. HHSC awarded The Bridge \$986,376 for services delivered in 2021 and \$1.6 million for services delivered in 2022.

Summary of Review

The audit objective was to determine whether The Bridge had financial processes and controls in place to ensure grant expenditures were accurate, allowable, and supported.

The audit scope covered the period from September 1, 2020, through September 30, 2022.

Conclusion

The Bridge complied with requirements related to support for salary expenses and usually followed its internal salary processes and procedures. Specifically for items tested:

- Pay rate forms were approved by human resources and management.
- The employee's supervisor signed most timesheets to certify time as accurate.
- The payroll register included the approved rates for most of the employees.
- Most timesheet grant distribution sheets were signed and dated by a supervisor and listed the correct hours.

However, (a) some expenditures were unallowable or unsupported, (b) some salary allocations did not align with the HHSC-approved budget, and (c) The Bridge could not support how costs were allocated to the Family Violence Program grant. Specifically, The Bridge:

- Did not maintain a complete client assistance log and did not always identify the clients associated with the expenditures.
- Exceeded the total award from the Texas Health and Human Services Commission (HHSC) by \$42,214.04.
- Did not record or completely record client transactions on the client assistance request form. Of the 64 transactions tested, 38 (59 percent) client assistance request forms were missing or incomplete.
- Provided one client with assistance of \$1,995.00 for a fifth month of rent, which was unallowable under the HHSC contract.
- Did not provide documentation to support the expenditures for 4 of the 64 expenditures tested (6 percent). The four payments totaled \$3,145, but only \$1,000 was unsupported.
- Could not show a client received the items purchased for 7 of 64 (11 percent) transactions tested.

Background

The Bridge is a dual family violence and sexual assault center offering services to survivors of both types of violence. The Bridge has two offices, one in Pasadena and one in Baytown, with the emergency shelter at the Pasadena location. The Bridge provided 24-hour shelter to approximately 1,400 women and their dependent children at its Pasadena location per year over the audit scope.

HHSC awarded The Bridge a contract for the Residential and Non-Residential Family Violence Services Grant Program (Residential/Non-Residential contract). The grant funds were joint state and federal funds. The award included the following amendments: (a) Coronavirus Aid, Relief, and Economic Security Act, (b) American Rescue Plan, (c) Pandemic Emergency Assistance Fund, and (d) American Rescue Plan "COVID Mitigation."

The Bridge also received Special Nonresidential Project Family Violence Services federal grant funding.

Management Response

OIG Audit presented preliminary audit results, issues, and recommendations to The Bridge in a draft report dated August 9, 2023. The Bridge agreed with the recommendations and indicated it would implement corrective actions by September 2023. The Bridge's management responses are included in the report following each recommendation.

For more information, contact:
OIGAuditReports@hhs.texas.gov

- Allocated some salary expenses to the HHSC grants that were not based on the HHSC-approved budget and a budget revision was not submitted. Eight of the 65 salary expenses tested (12 percent) were inaccurate.
- Included an unallowable salary expense for fundraising activities on one monthly timesheet grant distribution, totaling \$48,611.
- Was unable to support the proportion of family violence services allocated to the Family Violence Program.

Recommendations

The Bridge should:

- Complete the client assistance log as contractually required.
- Design future client assistance request forms to record all elements of contract and internal policy requirements.
- Design and implement a review process to verify advocates document all elements of contract and internal requirements.
- Develop and implement a process to maintain support for expenditures and service delivery.
- Work with HHSC to reconcile and support reimbursements related to the Pandemic Emergency Assistance Fund.
- Improve adherence with controls regarding salary expense.
- Submit a budget revision if positions and allocation percentages differ from the approved budget.
- Work with HHSC to correct reporting and repay grant funds as applicable.
- Implement an annual reassessment of the family violence and sexual assault services allocation percentages based on complete client service data for the most recent year, to support accurate budgeting.
- Develop and implement a process to verify that internal reports reflect the management-approved client information from the intake assessment.

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Audit Overview

Overall Conclusion

The Bridge Over Troubled Waters, Inc. (The Bridge) had support for and usually followed its internal processes for salary expenses. However, The Bridge did not have sufficient processes and controls in place to ensure grant expenditures were accurate, allowable, and supported.

Key Audit Results

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) reviewed The Bridge's support as well as policies and procedures for (a) Pandemic Emergency Assistance Fund expenditures and (b) salary expenses. The Bridge complied with requirements related to support for salary expenses and usually followed its internal salary processes and procedures.

However, (a) some expenditures were unallowable or unsupported, (b) some salary allocations did not align with the HHSC budget, and (c) The Bridge could not support how costs were allocated to the Family Violence Program grant.

Objective

The audit objective was to determine whether The Bridge Over Troubled Waters, Inc., a Family Violence Program contractor, had financial processes and controls in place to ensure grant expenditures were accurate, allowable, and supported.

Scope

The audit scope covered the period from September 1, 2020, through September 30, 2022.

Specifically, OIG Audit evaluated:

- Client assistance expenditures associated with the Pandemic Economic Assistance Fund grant, for November 1, 2021,¹ through August 31, 2022.
- Salary expenses associated with the Residential/Non-Residential contract and Amendments 1, 2 and 3, and the Special Nonresidential Project for September 1, 2020, through September 30, 2022.

¹ November 2021 is the first entry on The Bridge's general ledger.

Specifically, The Bridge:

- Did not always identify the clients associated with the expenditures in the client assistance log.
- Exceeded the total award from the Texas Health and Human Services Commission (HHSC) by \$42,214.04.
- Provided one client with assistance of \$1,995.00 for a fifth month of rent, which was unallowable under the HHSC contract.
- Did not always have support for the allowability of expenditures.
- Did not always document client receipt of services.
- Did not always align salary expenses with its contractual salary allocations.
- Could not support the cost allocation of 75 percent to the Family Violence Program grant.

OIG Audit offered recommendations to The Bridge, which, if implemented, will help The Bridge comply with grant contract requirements to document accurate and allowable expenditures and have effective controls.

The “Detailed Audit Results” section of this report presents additional information about the audit results and is considered written education in accordance with Texas Administrative Code.² In addition, other audit issues identified in this report may be subject to liquidated damages or OIG administrative enforcement measures,³ including administrative penalties.⁴ Unless otherwise described, any year referenced is the state fiscal year, which covers the period from September 1 through August 31.

What Prompted This Audit

OIG Audit initiated this audit in response to its annual risk assessment process and to gain audit coverage of grant contracts awarded by HHSC.

² 1 Tex. Admin. Code § 371.1701 (May 1, 2016).

³ 1 Tex. Admin. Code § 371.1603 (May 20, 2020).

⁴ Tex. Hum. Res. Code § 32.039 (Apr. 2, 2015).

OIG Audit presented preliminary audit results, issues, and recommendations to The Bridge in a draft report dated August 9, 2023. The Bridge agreed with the recommendations and indicated it would implement corrective actions by September 2023. The Bridge's management responses are included in the report following each recommendation. OIG Audit communicated other, less significant issues to The Bridge in a separate written communication.

OIG Audit recognizes the unique challenges that The Bridge faced because of the COVID-19 public health emergency, which occurred during the audit scope period. OIG Audit thanks management and staff at The Bridge for their cooperation and assistance during this audit.

Key Program Data

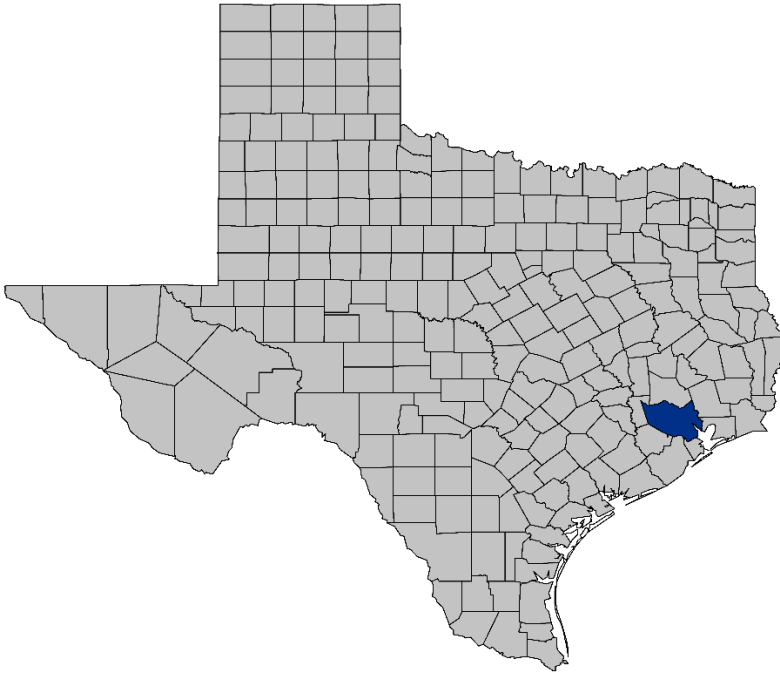
The Bridge is an HHSC Family Violence Program contractor serving families in Harris County, Texas. The Bridge is a dual family violence and sexual assault center offering emergency shelter, long-term housing, child-care, advocacy, and education, including the following services:

- 24-hour crisis intervention hotline
- 100-bed dormitory-style and family rooms emergency shelter
- Housing assessments
- Community education and primary prevention
- Case management
- Hospital, court, and police accompaniments
- Licensed on-site daycare
- Counseling and support groups
- Parenting, money management, and life skills classes

The Bridge has two offices, one in Pasadena and one in Baytown, with the emergency shelter in Pasadena. The Bridge provided 24-hour shelter to approximately 1,400 women and their dependent children at its Pasadena location per year over the audit scope.

Figure 1 shows The Bridge’s service area.

Figure 1: The Bridge Service Area



Source: OIG Audit

HHSC Grant Contract Awards

HHSC awarded The Bridge a contract for the Residential and Non-Residential Family Violence Services Grant Program (Residential/Non-Residential contract). The grant funds were joint state and federal funds. The contract included the following amendments:

- The Coronavirus Aid, Relief, and Economic Security Act
- American Rescue Plan
- Pandemic Emergency Assistance Fund
- American Rescue Plan "COVID Mitigation"

The Bridge also received Special Nonresidential Project Family Violence Services federal grant funding, which allocated \$118,508 and \$116,100 for services delivered in federal fiscal years 2021 and 2022,⁵ respectively.

HHSC awarded The Bridge \$986,376 and \$1.6 million in grant funding for services delivered in state and federal fiscal years 2021 and 2022, respectively. Table 1 summarizes the funding associated with the contracts included in the audit scope.

Table 1: Contract Funds Awarded in the Audit Scope

Contract	Audit Period	Award Amounts with Budget Revisions	
Special Nonresidential Project	2021	\$ 118,507.53	2021 Total \$986,376
Residential/Non-Residential Family Violence Services	2021	817,850.50	
Amendment 1: Coronavirus Aid, Relief, and Economic Security Act	2021	50,018.00	
Amendment 2: Renewal	2022	812,827.00	2022 Total \$1.6 million
Amendment 3: Addition to Residential/Non-Residential contract and American Rescue Plan	2022	179,151.00	
Amendment 4: Pandemic Emergency Assistance Fund	2022	359,661.00	
Amendment 5: American Rescue Plan COVID Mitigation ⁶	2022	122,714.00	
Special Nonresidential Project	2022	116,100.00	
Total		\$2,576,829.03	

Source: OIG Audit

⁵ The federal fiscal year is October 1 through September 30.

⁶ The Bridge did not have any client assistance expenditures or salary expense during the audit period under Amendment 5.

Table 2 summarizes the HHSC-approved final funding for each cost category.

Table 2: Final Budget Allocation for Funds in the Audit Scope

Budget Category	Amount
Salaries	\$1,814,180.75
Fringe Benefits	257,475.67
Professional/Contract Services	25,333.26
Consumable Supplies	68,662.35
Other	411,177.00
Total	\$2,576,829.03

Source: OIG Audit

Auditing Standards

Generally Accepted Government Auditing Standards

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.

Detailed Audit Results

OIG Audit performed testing to evaluate The Bridge's compliance with selected grant contract requirements and controls, including accuracy of, allowability of, and support for:

- Expenditures associated with the Pandemic Emergency Assistance Fund.
- Salary expenses.
- Allocation of grant expenditures.

All tested salary expenses were supported by timesheets and timesheet grant distribution sheets. The Bridge usually followed its processes in place regarding accuracy and allowability of salary expenses, specifically:

- All 76 pay rate forms were approved by human resources and management.
- Of the 123 twice-monthly pay period timesheets tested:
 - The employee's supervisor signed 121 (98 percent) to certify time as accurate.
 - The payroll register included the approved rates for 122 (99 percent) of the employees' pay rate forms.
- Of the 67 monthly timesheet grant distribution sheets tested:
 - 64 (96 percent) were signed and dated by the employee's supervisor before payroll was processed.
 - 66 (99 percent) had correct hours listed.

The Bridge (a) made some Pandemic Emergency Assistance Fund expenditures that were unallowable or unsupported, (b) made some salary allocations that did not align with contractual requirements, and (c) was unable to support the percentage of costs it allocated to Family Violence Program funding. The following sections of this report provide additional detail about the findings of noncompliance.

Chapter 1: Some Pandemic Emergency Assistance Fund Grant Expenditures Were Unallowable or Unsupported

The Pandemic Emergency Assistance Fund was created by the American Rescue Plan Act of 2021 to assist families affected by the COVID-19 public health emergency. The funds are for short-term emergency housing, not to exceed four months, and includes rent, deposits, utility payments, and housing supplies for family violence survivors with at least one dependent.⁷ In 2022, HHSC granted The Bridge \$359,661 in supplemental funding from the Pandemic Emergency Assistance Fund.

While the Bridge had policies and procedures in place to document aid for family violence survivors, advocates and management did not always follow them, which resulted in unallowable or unsupported expenditures.

Expenditure Tracking

The Bridge must maintain a client assistance log to record and track all Pandemic Emergency Assistance Fund expenditures and ensure all expenses are allowable and aligned with its HHSC-approved budget.⁸ However, The Bridge's client assistance log was not complete, and it did not always identify the clients associated with the expenditures. For example, client identification numbers were missing, and the descriptions did not always clearly identify the client or specific expenditures. Additionally, total expenditures in the client assistance log exceeded the total award from HHSC by \$42,214.04. HHSC did not reimburse the additional expenditures and The Bridge reclassified the overage to its unrestricted fund during the OIG audit.

Allowability

The Bridge created a client assistance request form to document client eligibility for assistance and allowability of expenditures separate from the client assistance log. It also developed a written policy and procedure to help advocates when

⁷ Includes pregnancy.

⁸ HHSC Contract No. HHS000380000069, Amendment 4 (Feb. 9, 2022).

completing the form. However, the Bridge did not always maintain complete client access request forms. Of the 64 transactions tested, 38 (59 percent) client assistance request forms were missing or incomplete, with one or more of the following errors:

- 5 were missing.
- 7 did not indicate management approval.
- 8 did not indicate the number of dependent children in the household.⁹
- 3 did not include a client identification number.
- 31 transactions were tested for duration of assistance; of these, 24 did not have the duration field completed.

The Bridge's client assistance request form policy also placed an assistance limit to each family based on the number of bedrooms per household, with a maximum amount not to exceed \$7,000.00.¹⁰ However, the client assistance request form did not include a field to indicate the number of bedrooms per household; therefore, OIG Audit was unable to determine whether The Bridge followed its policy related to reimbursement per household. Additionally, data analysis showed:

- One client received \$7,269.39 in assistance, \$269.39 more than The Bridge's maximum limit.
- One client received \$9,337.70 in assistance, \$2,337.70 more than The Bridge's maximum limit. Included in the \$2,337.70 was \$1,995.00 for a fifth month of rent, which was unallowable under the HHSC contract.

⁹ Auditors received additional support for client eligibility based on number of dependents.

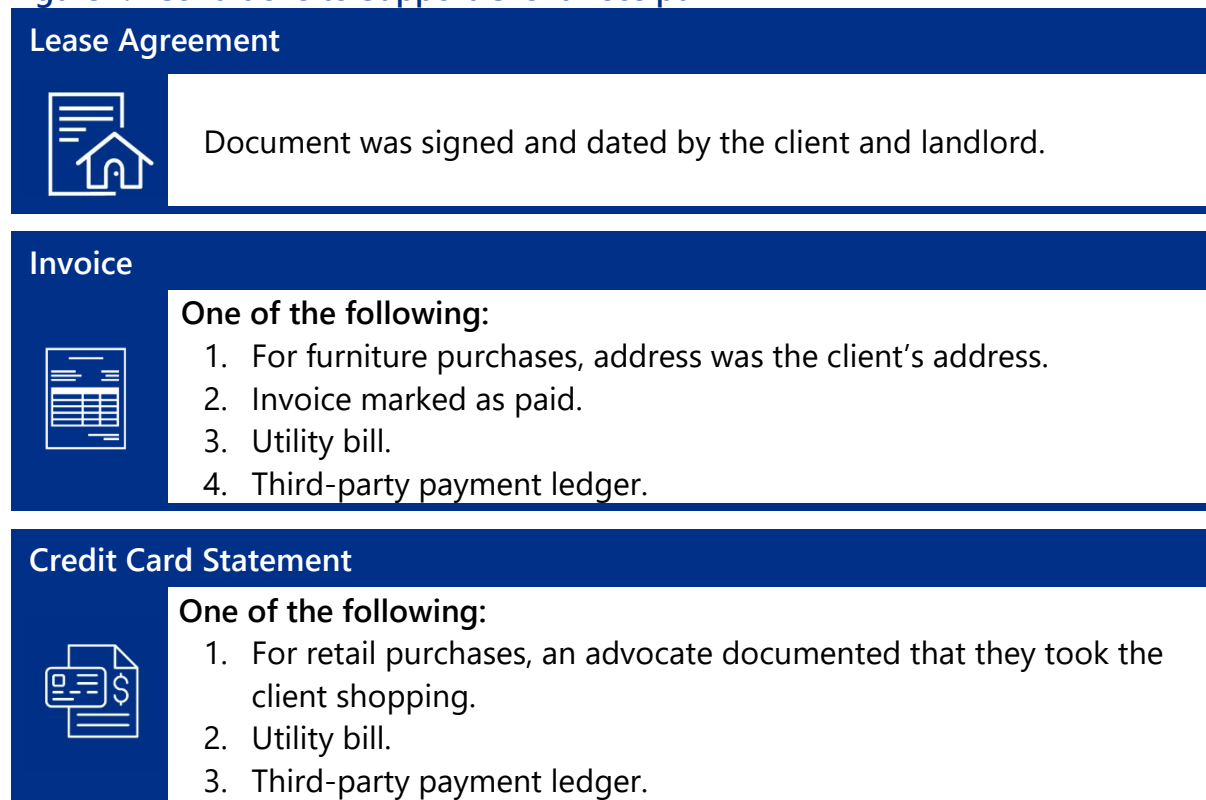
¹⁰ The Bridge, "Pandemic Emergency Assistance Funds – Policy and Procedure" (Sept. 21, 2021, through Jan. 26, 2022).

Expenditure Support

In addition to maintaining a client assistance log, The Bridge is required to maintain support for all expenditures.¹¹ Four of the 64 expenditures tested (6 percent) were not fully supported. The Bridge provided utility bills and a lease agreement for \$2,144.92 of the expenditures, but made payments totaling \$3,145.15; therefore, \$1,000.23, for security deposits and utility bills was unsupported.

The Bridge must keep complete records of service access and service delivery.¹² OIG Audit reviewed lease agreements, invoices, and credit card statements to determine client receipt. For 7 of 64 (11 percent) transactions tested, The Bridge could not provide evidence to verify a client received the items purchased and one recipient was not identified at all. Figure 1 gives the conditions that OIG Audit used for determining client receipt.

Figure 1: Conditions to Support Client Receipt



Source: OIG Audit

¹¹ 1 Tex. Admin. Code § 379.301 (Sept. 1, 2013).

¹² HHSC Contract No. HHS000380000069, Attachment A § 2.09 (Sept. 1, 2019), as amended.

Recommendation 1

The Bridge should:

- Complete the client assistance log as contractually required.
- Design future client assistance request forms to record all elements of contract and internal policy requirements.
- Design and implement a review process to verify advocates document all elements of contract and internal requirements.
- Develop and implement a process to maintain support for expenditures and service delivery.
- Work with HHSC to reconcile and support reimbursements related to the Pandemic Emergency Assistance Fund.

Management Response

In the event that The Bridge Over Troubled Waters, Inc. were to receive PEA Grant Funds the following action plans will be followed.

Action Plan

1. The Deputy Director will oversee the contract and will design/create internal policies of the grant; this will include the creation of the client assistance request form with all contract elements. The internal policy will outline documentation procedures, which will include the client assistance log, monthly internal audits, service delivery as well as an outline and review process for all advocates. Deputy Director will review and/or revise policy and procedures with Assigned Director(s)/Assigned Manager(s) in charge and direct service staff.
2. The internal policy will provide guidance on the process to maintain supports for expenditures. All check requests will be signed off by the appropriate manager and/or director.
3. The assigned manager and/or director for each department will be responsible for the completion of the client assistance log and will review documentation provided by advocates.
4. The assigned manager, assigned director and Deputy Director will review all

documentation and assistance logs for completion and accurateness prior to submittal to finance department.

5. The finance department and/or the lead grants billing specialist will review all supporting documentation so all expenditures are correctly supported prior to submittal of reimbursement.

6. The finance department and/or the lead grants billing specialist will work with HHSC to reconcile and support with reimbursements related to PEAFF expenditures.

7. The finance department will send monthly expenditures to directors to ensure that expenditures are within range and funds are not being overspent.

Responsible Parties

- Deputy Director
- Assigned Managers
- Assigned Directors
- Finance Department

Target Implementation Date

September 1, 2023

Auditor Comment

OIG Audit appreciates that The Bridge may not have future funding from the Pandemic Economic Assistance Fund. However, the recommendations are applicable for any client assistance grant funds received.

Chapter 2: The Bridge Made Some Salary Allocations That Did Not Align with the HHSC-Approved Budget

The Bridge's costs must be based on a cost allocation plan reviewed by HHSC that equitably distributes expenditures among The Bridge's various funding sources.¹³ The Bridge's HHSC-approved budgets include percentages associated with staff positions for the HHSC grants. If The Bridge revises its cost allocation plan, The Bridge must provide HHSC with a revision to its cost allocation plan within 30 days of implementation.¹⁴

The Bridge allocated some salary expenses to the HHSC grants that were not based on the HHSC-approved budget and did not submit a budget revision. Eight of the 65 monthly grant distribution sheets tested (12 percent) were inaccurate.¹⁵ Specifically:

- Four included allocations for staff positions not listed in the approved HHSC budget salary table.
- Three included allocation percentages that were higher than the HHSC-approved budget allocation percentages for the tested staff position.
- One included an allocation percentage that was (a) lower than was listed in the Special Nonresidential Project contract and (b) not listed in the budget for the Residential/Non-Residential contract.

In addition to the incorrect allocations, one monthly timesheet grant distribution included an unallowable salary expense for fundraising activities, totaling \$48.61.

The Bridge asserted it was unaware that (a) HHSC should be notified of changes to budget allocations and (b) fundraising activities are unallowable. The Bridge may have been reimbursed for salary expenses not approved or may need to return funds for unallowed expenses.

¹³ HHSC Contract No. HHS000380000069, Attachment B § 4.01.6 (Sept. 1, 2019), as amended, and HHSC Contract No. HHS000679900011, Attachment B § 2.6 (Oct. 1, 2019), as amended.

¹⁴ HHSC Contract No. HHS000380000069, Attachment B § 4.01.7 (Sept. 1, 2019), as amended, and HHSC Contract No. HHS000679900011, Attachment B § 2.7 (Oct. 1, 2019), as amended.

¹⁵ Two of the 67 selected monthly grant distribution sheets were not allocated to HHSC, leaving 65 tested.

Recommendation 2

The Bridge should:

- Improve adherence to controls regarding salary expense.
- Submit a budget revision if positions and allocation percentages differ from the approved budget.
- Work with HHSC to correct reporting and repay grant funds as applicable.

Management Response

Action Plan

1. The lead grants billing specialist will submit a revised budget adjustment with any positions and/or salary percentages that will be affected.
2. The lead grants billing specialist will wait until this is further approved from the HHSC manager to bill for the corresponding month(s).
3. In the event that revisions need to be made to a reporting, the grants billing specialist and/ or director will work with the HHSC manager to correct and repay any grant funds that are deemed unallowable.

Responsible Parties

- Finance Department
- Lead Grants Billing Specialist
- Finance Director

Target Implementation Date

September 1, 2023

Chapter 3: Allocation to Family Violence Program Funds Was Not Supported

The Family Violence Program provides funding only for family violence survivors, which include victims of domestic violence committed by a family member, household member, or dating or intimate partner, with or without sexual abuse.¹⁶ The Bridge is a dual family violence and sexual assault center that provides services to survivors of both types of violence.

The Bridge estimated that an average of 75 percent of its client services were related to family violence or sexual abuse within the context of family violence, and 25 percent of client services were related to sexual assault outside the context of family violence. The Bridge used this percentage as a factor for the allocation of employee salaries in its cost allocation plan.

The Bridge used a third-party system to (a) document client violence information, (b) document services provided to clients, and (c) send required reports to HHSC. Employees completed intake forms manually and their director approved them before an employee in a different department entered them into the system. Figure 2 shows the various choices for the victimization type and the offender’s relationship. The options are listed alphabetically and do not necessarily correspond across categories.

Figure 2: Options in The Bridge’s Documentation System

Victimization Type	Offender’s Relationship
<ul style="list-style-type: none"> • Adult sexual assault • Child sexual abuse/assault • Domestic violence • Dual domestic violence/sexual assault • Human trafficking • Other • Sexual assault 	<ul style="list-style-type: none"> • Acquaintance • Current or former spouse or intimate partner • Dating relationship • Other family/household member • Other • Stranger • Unknown

Source: OIG Audit

¹⁶ 1 Tex. Admin. Code § 379.1 (26) (Sept. 1, 2013).

The Bridge's reports in the third-party system for calendar years 2021 and 2022 recorded apparent mismatches between the violence type and the offender's relationship in 158 out of 1,093 instances (14 percent). Specifically:

- Of 928 cases of family violence or sexual abuse within the context of family violence, 98 (11 percent) were listed as committed by a person who was an acquaintance, a stranger, unknown, or other.
- Of 165 cases of sexual assault outside the context of family violence, human trafficking, or other, 60 (36 percent) were recorded as committed by a family member, a household member, a current or former spouse or intimate partner, or within a dating relationship.

The Bridge did not conduct a periodic review of the proportion of services it provided to family violence survivors versus sexual assault survivors and was unable to support the proportion of family violence services allocated to the Family Violence Program.

In addition, 30 percent of the clients tested under the Pandemic Economic Assistance Fund were not located in the third-party system reports. As a result, The Bridge's internal reports contained incomplete information because of a problem with its third-party data system. The Bridge provided additional support to demonstrate client existence.

Correct identification of violence type and services needed is necessary from the point of client intake, to ensure the Family Violence Program grant expenditures are for eligible clients.

Recommendation 3

The Bridge should:

- Implement an annual reassessment of the family violence and sexual assault services allocation percentages based on complete client service data for the most recent year, to support accurate budgeting.
- Develop and implement a process to verify that internal reports reflect the management-approved client information from the intake assessment.

Management Response

Action Plan

1. The grants compliance manager will compile reports, with Osnum support to ensure accuracy, of annual reassessments of family violence and sexual assault services allocation percentages.
2. This process will be implemented and internal reports will be conducted on a monthly as well as on an annual basis to accurately assist on budget allocation.
3. Once complete data is gathered, this will be turned in to the finance department and/or the finance director for annual budgets.

Responsible Parties

- Grants Compliance Manager
- Finance Department/Director

Target Implementation Date

September 1, 2023

Appendix A: Objective, Scope, and Criteria

Objective and Scope

The audit objective was to determine whether The Bridge, a Family Violence Program contractor, had financial processes and controls in place to ensure grant expenditures were accurate, allowable, and supported.

The audit scope covered the period from September 1, 2020, through September 30, 2022.

Criteria

OIG Audit used the following criteria to evaluate the information provided:

- 1 Tex. Admin. Code, Chapter 379 (2013)
- HHS Contract No. HHS000380000069 (2019), as amended
- HHS Contract No. HHS000679900011 (2019), as amended

Appendix B: Detailed Methodology

OIG Audit issued an engagement letter to The Bridge on April 19, 2023, providing information about the upcoming audit and conducted fieldwork from April 2023 through July 2023.

OIG Audit also reviewed The Bridge's system of internal controls, including components of internal control,¹⁷ within the context of the audit objectives by:

- Interviewing The Bridge's staff with oversight responsibilities for data entry, purchasing, payroll, approving expenditures, and fiscal administration.
- Reviewing relevant documentation, such as policies and procedures.
- Performing selected tests of Pandemic Emergency Assistance Fund applications, check requests, invoices, receipt of household items, system reports, timesheets, pay rate forms, and payroll registers.

Data Reliability

To assess the reliability of data provided by The Bridge, auditors reconciled The Bridge's annual funding reports submitted to HHSC to The Bridge's internal accounting system data and interviewed relevant Bridge personnel who were knowledgeable about the systems and data. OIG Audit determined that the data was sufficiently reliable for the purpose of this audit.

Testing Methodology

OIG Audit collected information for this audit through interviews and electronic communications with The Bridge's management and staff.

¹⁷ For more information on the components of internal control, see the United States Government Accountability Office's *Standards for Internal Control in the Federal Government*, (Sept. 2014), <https://www.gao.gov/assets/gao-14-704g.pdf> (accessed Apr. 16, 2021).

OIG Audit reviewed:

- The Bridge’s grant contracts with HHSC and its relevant processes.
- Support for grant expenditures including Pandemic Emergency Assistance Fund applications, invoices, and receipts.
- The Bridge’s general ledger information, timesheets, pay rate forms, and payroll summaries.

Sampling Methodology

Auditors selected nonstatistical samples, primarily through risk-based selection, to include items with specific characteristics, such as job position, and to address specific risk factors identified in the population, such as expenditure amount and account type.

Salaries

The Bridge had 88 employees during the audit scope. Salary expense testing included eight staff for eight separate months: September 2020, January 2021, March 2021, July 2021, November 2021, December 2021, May 2022, and July 2022. For the selected months, OIG Audit selected salaried and hourly positions to review, resulting in a sample of 64 sets of monthly pay records, including pay rate forms, timesheets, and timesheet grant distribution sheets. Due to hires, terminations, position changes, status changes, and salary adjustments during the selected months, auditors were able to test the following numbers of documents for salary expense:

- Pay Rate Forms: 76
- Timesheets: 123
- Timesheet grant distribution sheets: 67

Pandemic Emergency Assistance Fund Expenditures

The Bridge categorized its Pandemic Emergency Assistance Fund expenditures as housing, utilities, or other. OIG Audit selected 20 housing transactions, 10 utilities transactions, and 10 other transactions.

Table B.1 gives a breakdown of the populations and samples.

Table B.1: Expenditure Testing Populations and Samples

Population	Population Size	Sample Size	Sample Dollar Value
Pandemic Emergency Assistance Fund—Housing	266	20	\$30,027
Pandemic Emergency Assistance Fund—Utilities	160	10	3,611
Pandemic Emergency Assistance Fund—Other Housing Expenses	53	10	83,652

Source: OIG Audit

Because some of the transactions were monthly credit card statements, auditors reviewed all the transactions for the selected month’s statement, resulting in a total of 20 client transactions for housing, 14 client transactions for utilities, and 30 client transactions for other being tested, a total of 64 client transactions. OIG Audit expected that The Bridge would complete one client assistance form for each client, but instead it completed a client assistance request form for each transaction. Therefore, the selections do not represent unique clients.

The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

Appendix C: Report Team and Distribution

Report Team

OIG staff members who contributed to this audit report include:

- Anton Dutchover, CPA, Deputy Inspector General of Audit and Inspections
- Ryan Belcik, CISA, Audit Director
- Tammie Wells, CIA, CFE, Audit Director
- Susan Parker, CPA, Senior Managing Auditor
- Anna Morris, Senior Auditor
- Shaun Craig, Staff Auditor
- John Poynor, Staff Auditor
- Maria Brunetti, Associate Auditor
- Kimberly Howell, Associate Auditor
- Kay Allred, Quality Assurance Reviewer
- Mo Brantley, Senior Audit Operations Analyst

Report Distribution

Health and Human Services

- Cecile Erwin Young, Executive Commissioner
- Kate Hendrix, Chief of Staff
- Maurice McCreary, Jr., Chief Operating Officer
- Jordan Dixon, Chief Policy and Regulatory Officer
- Karen Ray, Chief Counsel
- Michelle Alletto, Chief Program and Services Officer
- Nicole Guerrero, Chief Audit Executive

- Crystal Starkey, Associate Commissioner, Family Health Services
- Megan Bermea, Director, Family Health Services

The Bridge Over Troubled Waters, Inc. of Pasadena¹⁸

- Executive Management
- President, Board of Directors

¹⁸ Per Tex. Human Resources Code § 51.007 (Apr. 2, 2015), HHSC may not disclose the name of a person working at, or a board member of, a family violence center.

Appendix D: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Sylvia Hernandez Kauffman, Inspector General
- Kacy J. VerColen, Chief of Audit and Inspections
- Diane Salisbury, Chief of Data Reviews
- Susan Biles, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Chief Counsel
- Matt Chaplin, Chief of Operations
- Steve Johnson, Chief of Investigations and Utilization Reviews

To Obtain Copies of OIG Reports

- OIG website: ReportTexasFraud.com

To Report Fraud, Waste, and Abuse in Texas HHS Programs

- Online: <https://oig.hhs.texas.gov/report-fraud-waste-or-abuse>
- Phone: 1-800-436-6184

To Contact OIG

- Email: oig.generalinquiries@hhs.texas.gov
- Mail: Texas Health and Human Services
Office of Inspector General
P.O. Box 85200
Austin, Texas 78708-5200
- Phone: 512-491-2000