

Audit Report

Family Violence Prevention Services, Inc.

A Texas Health and Human Services
Commission Family Violence Program
Contractor



**Inspector
General**

Texas Health
and Human Services

June 15, 2023

OIG Report No. AUD-23-007



Texas Health and Human Services Office of Inspector General Audit and Inspections Division

Family Violence Prevention Services, Inc.

A Texas Health and Human Services Commission Family Violence Program Contractor

June 15, 2023

Dear Executive Director:¹

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Audit) conducted an audit to determine whether Family Violence Prevention Services, Inc. (FVPS), a Family Violence Program contractor, had financial processes and controls in place to help ensure grant expenditures were accurate, allowable, and supported.

FVPS had financial processes and controls in place to help ensure grant expenditures were supported, accurate, and allowable according to the terms of the grant. OIG Audit communicated a less-significant observation to FVPS in a separate written communication.

OIG Audit thanks management and staff at FVPS for their responsiveness, cooperation, and assistance during this audit. The attachment to this letter contains additional details on this audit.

Sincerely,

Kacy J. VerColen, CPA, CIGA
Chief of Audit and Inspections

Attachment

cc: Cecile Erwin Young, HHS Executive Commissioner
Sylvia Hernandez Kauffman, HHS Inspector General

Background

FVPS receives grant funding under the Residential and Non-Residential Family Violence Services Grant Program. The audit scope was September 1, 2020, through August 31, 2022. During the audit scope, FVPS was awarded \$2,138,906 from the Grant Program. FVPS used grant funding for the scope period exclusively for salaries and fringe benefits.

¹ 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.

Attachment

Unless otherwise described, any year referenced is the state fiscal year, which covers the period from September 1 through August 31.

Objective and Scope

The audit objective was to determine whether Family Violence Prevention Services, Inc. (FVPS), a Family Violence Program contractor, had financial processes and controls in place to help ensure grant expenditures were accurate, allowable, and supported.

The audit scope covered the period from September 1, 2020, through August 31, 2022.

Section 1: Summary of Audit Results

FVPS had financial processes and controls in place to help ensure grant expenditures were accurate, allowable, and supported. Table 1 summarizes the funding associated with the contracts included in the audit scope.

Table 1: Grant Contract Funds Awarded in the Audit Scope

Grant Contract	Audit Period	Award Amounts with Budget Revisions	
Residential/Non-Residential Contract	2021	\$ 897,084.00	
Amendment 1: Coronavirus Aid, Relief, and Economic Security Act	2021	55,399.00	2021 Total \$0.95 Million
Amendment 2: Renewal	2022	897,084.00	
Amendment 3: Addition to Residential/Non-Residential Contract and American Rescue Plan	2022	154,663.00	
Amendment 4: American Rescue Plan COVID Mitigation	2022	134,676.00	2022 Total \$1.19 Million
Total		\$ 2,138,906.00	

Source: OIG Audit

Methodology

OIG Audit issued an engagement letter to FVPS on April 5, 2023, providing information about the upcoming audit and conducted fieldwork from April 2023 to May 2023.

OIG Audit also reviewed FVPS' system of internal controls,² including components of internal control, within the context of the audit objectives by:

- Interviewing FVPS staff with oversight responsibilities for payroll and fiscal administration.
- Reviewing relevant documentation, such as policies and procedures.
- Performing selected tests of relevant documentation provided by FVPS.

Data Reliability

To assess the reliability of data provided by FVPS, auditors reconciled FVPS annual funding reports data to FVPS internal accounting system data and interviewed FVPS personnel who were knowledgeable about the system and data. OIG Audit determined that the data was sufficiently reliable for the purpose of the audit.

Sampling Methodology

Auditors selected non-statistical samples, primarily through risk-based selection. These samples were chosen to ensure that specific risk factors identified in the population, such as expenditure amount and allocation percentage, were addressed. The sample items were generally not representative of the full population of salary expenditures; therefore, it would not be appropriate to project the test results to the population.

² 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).

Testing Methodology

OIG Audit collected information for this audit through interviews and electronic communications with FVPS management and staff.

OIG Audit reviewed:

- FVPS' grant contracts with HHSC and its relevant processes.
- Supporting documentation for grant expenditures including the FVPS general ledger and timesheets.

Criteria

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

- 2 C.F.R. Part 200 (2013, 2014, and 2020)
- 1 Tex. Admin. Code, Chapter 379 (2013)
- HHSC Contract No. HHS000380000068 (2019), as amended

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.

Section 2: Report Team and Distribution

Report Team

OIG staff members who contributed to this audit report include:

- Tammie Wells, CIA, CFE, Audit Director
- Susan Parker, CPA, Senior Managing Auditor
- Saul Guerrero, CFE, Audit Project Manager
- Anna Morris, Senior Auditor
- Sonja Murillo, CFE, Staff Auditor
- Shaun Craig, Associate Auditor
- Karen Mullen, CGAP, CIGA, 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
- Kelsii Dilley, Manager, Family Health Services

Family Violence Prevention Services, Inc.³

- Executive Management
- President, Board of Directors

³ 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.

Section 3: 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

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- Phone: 1-800-436-6184

To Contact OIG

- Email: oig.generalinquiries@hhs.texas.gov
- Mail: Texas Health and Human Services
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Austin, Texas 78708-5200
- Phone: 512-491-2000