

The Grant Award Audit Process

Department of Justice

Office of the Inspector General



Office of the Inspector General

To detect and deter **waste, fraud, abuse**, and misconduct in DOJ programs and personnel, and to promote economy and efficiency in those programs.

REPORT FRAUD, WASTE & ABUSE

<https://oig.justice.gov/hotline>

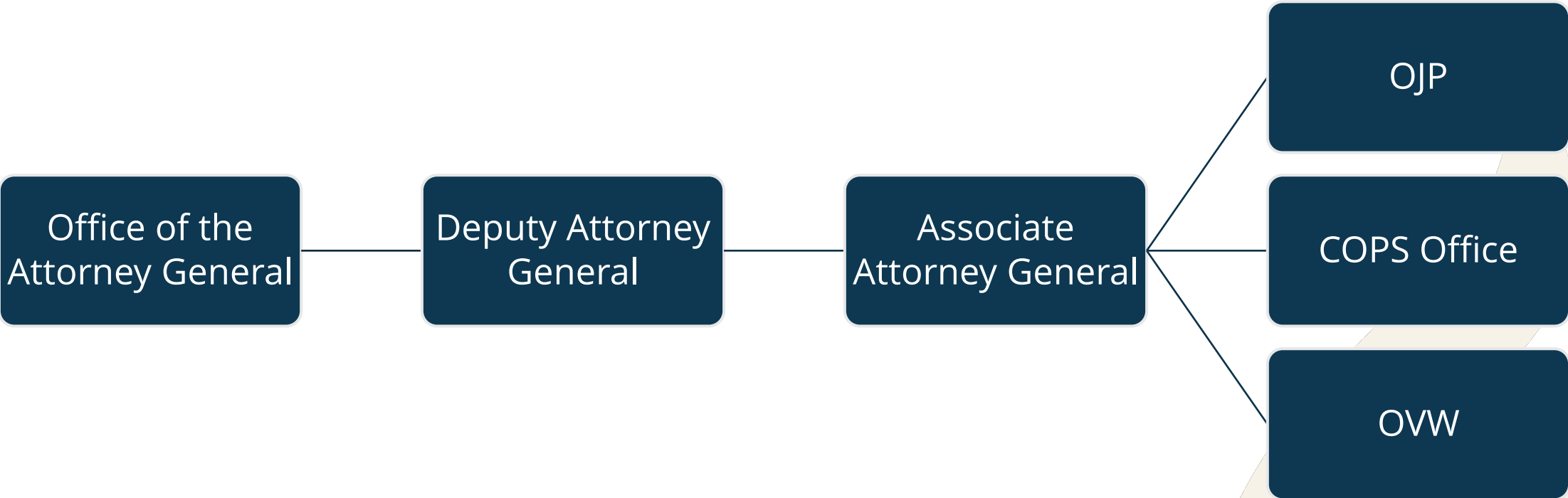


Breadth of Coverage

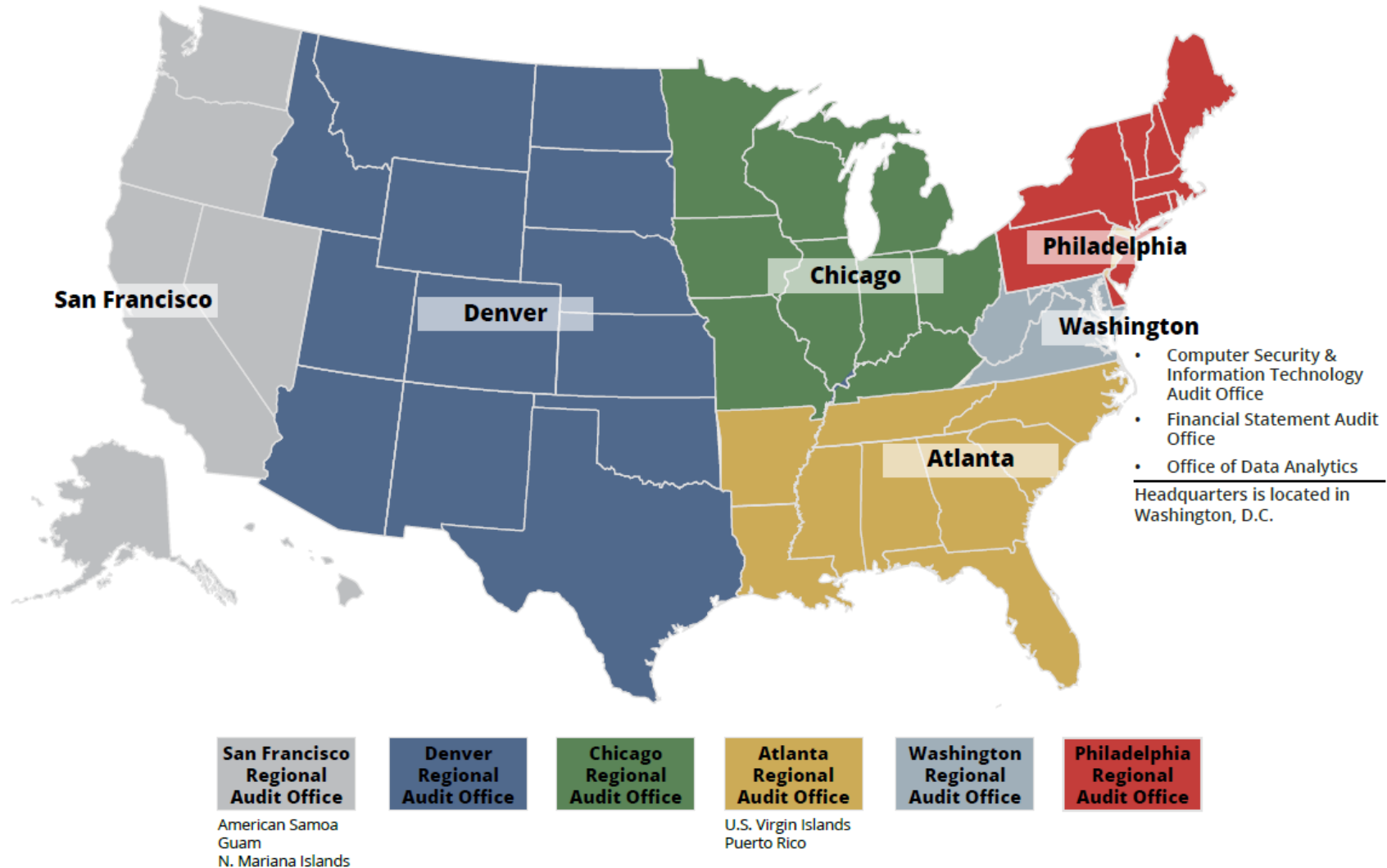


All Programs, Contracts, and Grants across DOJ

DOJ Grant Awarding Agencies



OIG – Audit Division’s Regional Breakdown



Phases of a Grant Award Audit

- Notification of the Audit
- Entrance Conference
- Fieldwork
 - Programmatic Review
 - Financial Review
- Exit Conference
- Draft Report
- Final Report
- Audit Resolution/Closure



The Start of a Grant Award Audit

- Contact and Introduction
- Entrance Conference
- Fieldwork
 - Programmatic
 - Financial



Programmatic Review

- Interview appropriate staff members
- Review award documents, program narratives, and progress reports
- Accomplishments and supporting evidence
- Compliance with special conditions



Financial Review

- Determine if costs charged to the award were allowable, supported and properly allocated
- Generally assess:
 - Financial management system
 - Internal controls
 - Drawdowns
 - Budget management
 - Reporting
 - Award expenditures



Monitoring of Grant Award Partners

- Subrecipient, contractors, or other partners
- Primary award recipient is still responsible for the stewardship of award fund and deliverables
- OIG will assess:
 - Policies on redistributing award funds
 - Agreements with outside entities
 - Monitoring activities
 - Support for payments
 - Deliverables ultimately accomplished or on track to being accomplished



Findings and Recommendations (1 of 2)

Management improvement recommendations may involve:

- Program Accomplishments
- Reporting
- Financial Management
- Budget Management
- Drawdowns
- Award Charges
- Contracts/Consultants
- Subrecipient Monitoring



Findings and Recommendations (2 of 2)

Dollar-related recommendations:

- Funds to Better Use
- Questioned Costs
 - Unallowable
 - Unsupported
 - Unreasonable/Unnecessary



Exit Conference and Draft Report

- Exit Conference - Discussion of any findings and recommendations
- OIG draft report
- Award recipient response to draft
- Management Representation Letter



Final Report

- Final Report includes
 - Award recipient response
 - Awarding agency response
 - OIG analysis and summary of actions necessary to close the report
- Posted publicly on the OIG website



Audit Resolution and Closure

Recommendation Status

- **Resolved:** awarding agency has agreed to implement the recommendation or has proposed actions that will address the recommendation,
- **Unresolved:** the Department has not agreed to implement the recommendation or has not proposed actions that will address the recommendation or has made insufficient progress toward implementation, or
- **Closed:** OIG and DOJ agree on the recommendation, and the OIG has received adequate documentation showing that corrective actions have been completed.



OIG Issued Audit Reports

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Grant Webinar
<https://oig.justice.gov/about/grant-audits>



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Questions?

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