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ADVISORY

TO: Executive Directors of LSC Programs
Board of Directors of LSC Programs
Chief Fiscal Officers of LSC Programs

FROM: Roxanne Caruso *Roxanne Caruso*
Acting Inspector General & Assistant Inspector General for Audit

DATE: December 15, 2022

SUBJECT: Compendium of Internal Control Audit Findings & Recommendations
From Reports Issued October 1, 2019 through September 30, 2021

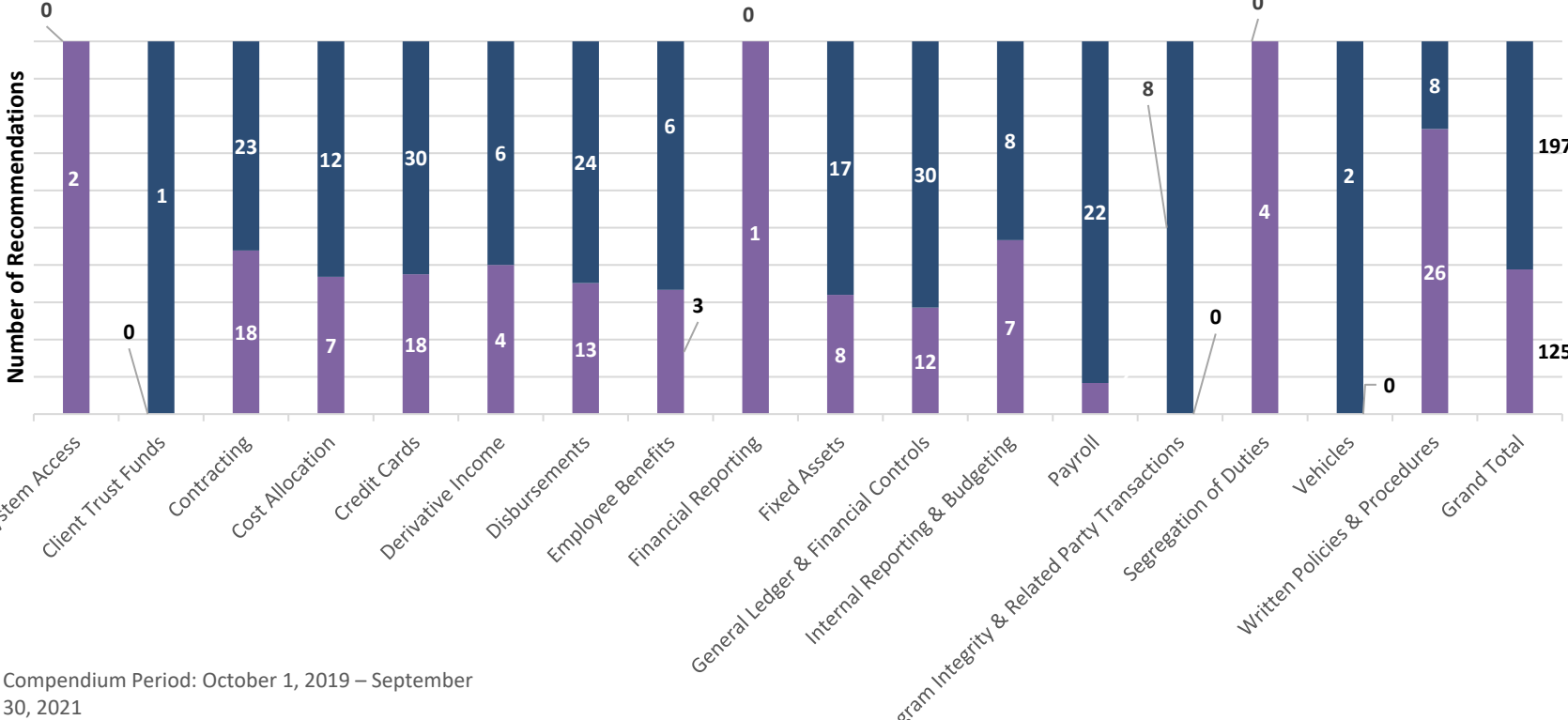
The purpose of this advisory is to summarize the findings and recommendations reported by the Office of Inspector General (OIG) of Legal Services Corporation (LSC) in internal control review audit reports issued October 1, 2019 to September 30, 2021.

During this period, the OIG issued nine internal control audits containing 197 recommendations to improve internal controls at LSC grantees. Of the 197 recommendations, which in this report are categorized into 14 topics, the majority address issues pertaining to credit cards, general ledger and financial controls, disbursements, contracting, and payroll. The OIG also issued recommendations related to fixed assets, cost allocation, written policies and procedures, program integrity, internal reporting and budgeting, derivative income, employee benefits, vehicles, and client trust funds.

Unlike previous compendium reports, where the majority of findings and recommendations were issued for deficient written policies and procedures, during the current reporting period (October 1, 2019 to September 20, 2021), credit cards and general ledger and financial controls were the two most prevalent areas needing improvement. The OIG also continued to discover issues in the areas of contracting, disbursements, cost allocation, internal budgeting and reporting, derivative income, employee benefits, and fixed assets. Payroll findings emerged as a more significant issue during this reporting period while findings related to written policies and procedures saw a sharp decrease.

We encourage grantees to use this report as a tool to not only prevent future audit findings but to comply with professional standards and applicable legal and regulatory requirements.

Total Number of Recommendations By Topic By Compendium Period



■ Compendium Period: October 1, 2019 – September 30, 2021

■ Compendium Period: October 1, 2017 - September 30, 2019

Recommendation Topic

LEGAL SERVICES CORPORATION



OFFICE OF INSPECTOR GENERAL

COMPENDIUM OF INTERNAL CONTROL AUDIT FINDINGS &
RECOMMENDATIONS FROM REPORTS ISSUED OCTOBER 1, 2019
THROUGH SEPTEMBER 30, 2021

Report No. AU 23-02

December 2022

www.oig.lsc.gov

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INTRODUCTION

The purpose of this advisory is to summarize the findings and recommendations reported in internal control review audit reports issued October 1, 2019 to September 30, 2021, by the Office of Inspector General (OIG) of Legal Services Corporation (LSC). It also compares the number of findings and recommendations issued during the period to the Compendium Report issued by the OIG in September 2020, which summarized the findings and recommendations from audits issued October 1, 2017 to September 30, 2019 (refer to Exhibits 27 and 28).

In accordance with the Legal Services Corporation Accounting Guide for LSC Recipients (2010 Edition) (Accounting Guide)¹, Chapter 3 – Internal Control/Fundamental Criteria of an Accounting and Financial Reporting System² –an LSC grantee³ “...is required to establish and maintain adequate accounting records and internal control procedures.”

The overall objective of LSC OIG internal control review audits is to assess the adequacy of selected internal controls in place at each LSC grantee, as they relate to operations, oversight, program expenditures, and fiscal accountability, while ensuring that costs are adequately supported and in compliance with the LSC Act and LSC regulations.

From October 1, 2019 to September 30, 2021, the OIG issued nine audit reports containing 197 recommendations to improve internal controls at LSC grantees. The audit scope periods of the nine engagements covered fiscal years 2017 through 2020. The recommendations are categorized into 14 topics; the majority of which address issues with credit cards, general ledger and financial controls, disbursements, contracting, and payroll. The OIG also issued recommendations related to an array of other internal control topics including fixed assets, cost allocation, written policies and procedures, program integrity, internal reporting and budgeting, derivative income, employee benefits, vehicles, and client trust funds.

The following exhibits summarize the number of recommendations issued by the OIG from October 1, 2019 to September 30, 2021, by topic and the number of audit reports in which each topic appeared.⁴ When applicable, exhibits may also include additional detail to describe the specific internal control topic or grantee process to which the audit recommendations were related. While this compendium report highlights detailed examples of some of the more significant audit findings and the corresponding recommendations issued by the OIG, it is not inclusive of every finding and recommendation reported during the two-year compendium period. LSC OIG audit reports are publicly available and accessible via its website at www.oig.lsc.gov.

¹ LSC's updated Financial Guide, which will supersede the Accounting Guide, will be effective January 2023.

² Subsections of Section 3-5 of the LSC Accounting Guide will be referred to as the *Fundamental Criteria* throughout this report.

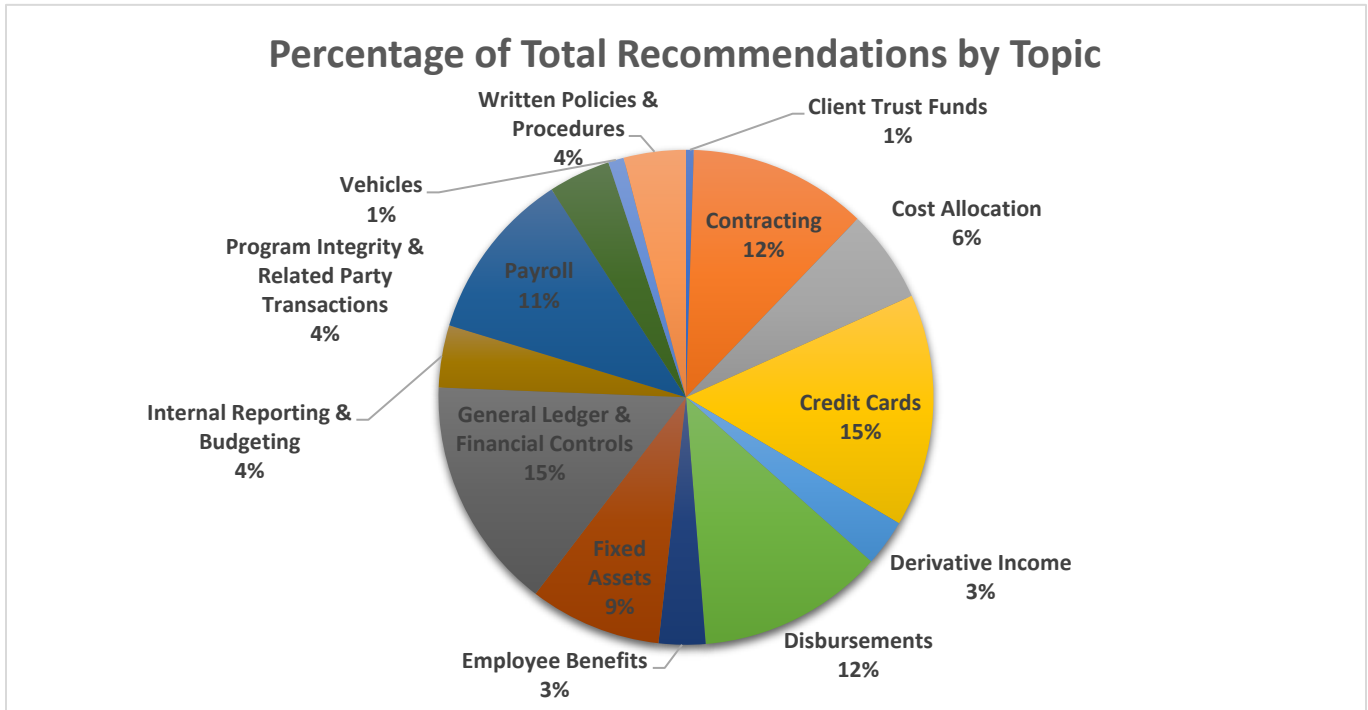
³ The terms “LSC grantee”, “LSC recipient”, and any variation thereof are synonymous in meaning for the purposes of this report. An LSC grantee or LSC recipient is any nonprofit organization or contractor that receives financial assistance from the Legal Services Corporation under section 1006(a)(1)(A) of the LSC Act.

⁴ Each audit report represents a unique LSC grantee.

Exhibit 1: Summary of Recommendations by Topic⁵

Type of Recommendation	Number of Recommendations 2021	Percentage of Recommendations 2021	Number of Audit Reports
Credit Cards	30	15%	6
General Ledger & Financial Controls	30	15%	5
Disbursements	24	12%	6
Contracting	23	12%	6
Payroll	22	11%	4
Fixed Assets	17	9%	1
Cost Allocation	12	6%	5
Internal Reporting & Budgeting	8	4%	6
Program Integrity & Related Party Transactions	8	4%	1
Written Policies & Procedures	8	4%	7
Derivative Income	6	3%	4
Employee Benefits	6	3%	1
Vehicles	2	1%	4
Client Trust Funds	1	1%	2
Total	197	100%	

Exhibit 2: Percentage of Total Recommendations by Topic



⁵ From October 1, 2019 to September 30, 2021, the OIG issued nine audit reports containing 197 recommendations to improve internal controls within the organizations of various LSC grantees selected for audit. Because the audit reports address multiple areas of a grantee's operations, the numbers in this column represent the total number of audit reports that included at least one recommendation for a given Finding Area/Recommendation Topic. Therefore, the "Number of Audit Reports" column should not be totaled here or in any of the exhibits that follow.

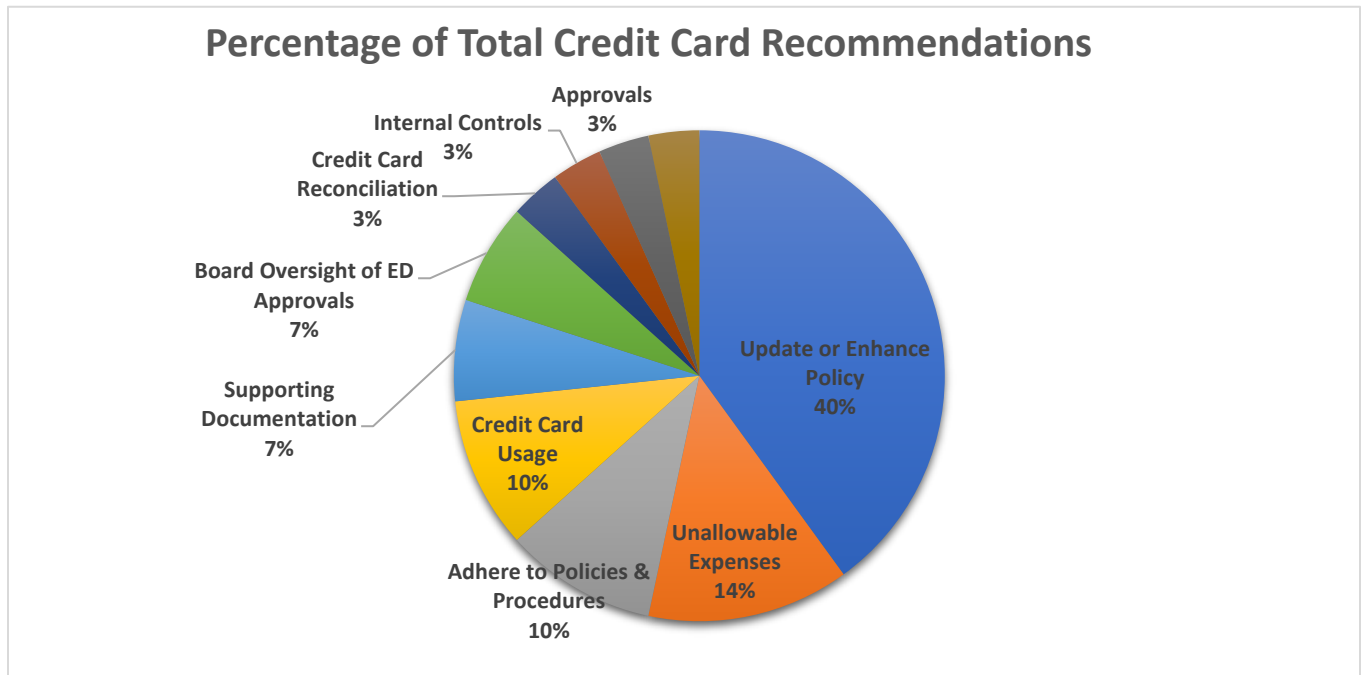
CREDIT CARDS

From October 1, 2019 to September 30, 2021, the OIG issued 30 recommendations to all nine grantees audited during the period regarding the usage of credit cards. The recommendations pertained to the implementation of credit card user agreements, the review and approval of credit card transactions, the maintenance of supporting documentation for credit card usage, and unallowable expenses, among others.

Exhibit 3: Summary of Credit Card Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Update or Enhance Policy	12	8
Unallowable Expenses	4	4
Adhere to Policies & Procedures	3	3
Credit Card Usage	3	3
Board Oversight of ED Approvals	2	2
Supporting Documentation	2	2
Approvals	1	1
Credit Card Reconciliation	1	1
Internal Controls	1	1
Multiple Areas ⁶	1	1
Grand Total	30	

Exhibit 4: Percentage of Total Credit Card Recommendations



⁶ Recommendations in this Finding Area/Recommendation Topic category simultaneously covered several Finding Areas/Recommendation Topics and have been addressed below within their own subsection.

Update or Enhance Policy

In eight audit reports, the OIG found that grantees' policies for credit cards needed to be updated and/or enhanced; the OIG issued twelve recommendations in this area. The most frequently cited deficiency was a lack of policies and procedures establishing and governing credit card user agreement forms. Additionally, despite requirements outlined in the LSC Accounting Guide, auditors noted a lack of policies and procedures governing the issuance, activation, use (including obtaining requisite review and approval of transactions and impermissible uses), reconciliation, and/or deactivation of grantee-issued credit cards, as well as maintenance of supporting documentation.

Unallowable Expenses⁷

The OIG issued four recommendations to four grantees regarding expenses unallowable by LSC. The OIG questioned credit card transaction costs totaling \$3,321 across all four grantees related to unallowable purchases of food for staff meetings, membership fees, late payment fees, flowers, purchases from an outdoor equipment store, conference room décor, and supplies for a social event. Title 45 CFR Part 1630 stipulates that expenditures by a recipient are allowable under the recipient's LSC grant only if the recipient can demonstrate that the cost was, among other things, reasonable and necessary for the performance of the grant and allocable to the grant.

Adhere to Policies and Procedures

The OIG issued three recommendations to three grantees regarding credit card policies they had in place but were not followed by staff. While two grantees had policies in place for prior approval of credit card transactions, both had several credit card transactions that did not adhere to these policies. The third grantee had policies in place for credit cardholders to read and sign a cardholder acknowledgement agreement. However, the grantee did not ensure that all ten of the grantee's authorized credit cardholders sign acknowledgement agreements or maintain them on file. Following the OIG's observation, the grantee immediately addressed the issue, obtained signed agreements from each cardholder, and provided the agreements to the auditors.

Credit Card Usage

During the period, the OIG issued three recommendations to three grantees regarding credit card usage. It was found that grantees either did not have a credit card authorization form for designated did not ensure cardholders were previously authorized (sometimes due to sharing credit cards).

⁷ While both the Credit Cards and Disbursements audit areas include unallowable expenses as a type of finding with related recommendations, the recommendations in each the Credit Cards and Disbursements audit areas are unique and do not overlap. The Finding Area/Recommendation Topics are similar in that both involve the expenditure of LSC funds. However, despite this similarity, the OIG audits these audit areas differently.

Board Oversight of Executive Director Approvals

The audit team found two issues with two grantees pertaining to board of director oversight. Both grantees' Boards of Directors failed to review and approve Executive Director credit card expenses. One grantee had a policy that the Board's Treasurer should review and approve the Executive Director's credit card expenses but failed to adhere to the policy. The other grantee lacked a policy requiring such review, despite LSC Program Letter 18-3, Compliance Guidance⁸ strongly recommending Board review to ensure adequate oversight.

Supporting Documentation

During the period, the OIG issued two recommendations to two grantees regarding their lack of supporting documentation for credit card transactions. Credit card transactions totaling \$33,290 lacked supporting documentation such as receipts, invoices, or check request forms.

Approvals

During its audit of one grantee, the OIG found that ten credit card transactions (of 90 reviewed by the auditors) lacked documentation of approval, as required by LSC's *Fundamental Criteria*. The *Fundamental Criteria*, Section 3-5.4(a), Managing Purchases, states that approvals should be required at an appropriate level of management before a commitment of resources is made.

Credit Card Reconciliation

The OIG found one grantee had issues relating to credit card reconciliation. This grantee had three transactions which did not have Expense Report forms attached. Further, the OIG identified another transaction, totaling \$2,750, which lacked sufficient detail about the purpose of the transaction on the attached expense explanation form.

Internal Controls

The OIG found that one grantee had weak internal controls in place for credit cards. For instance, there was no practice or policy for Executive Director review of the credit card statements before submission to the person(s) responsible for reviewing the transaction and recording those transactions into the general ledger.

Multiple Areas⁹

During the two-year compendium period, the OIG found that one grantee needed to update or enhance their credit card transaction approval policy. The grantee had 26 credit card transactions, totaling \$11,814, which lacked prior approvals and documentation establishing the requestor of and reason for each transaction. The grantee did not have a requirement that staff

⁸ Issued by James J. Sandman, then LSC President, on October 17, 2018.

⁹ The multiple finding areas related to updating or enhancing policies, approvals, and supporting documentation.

obtain prior approval for these purchase categories and, if such prior approval was occasionally requested, it was not filed with supporting documentation for the expenditures.

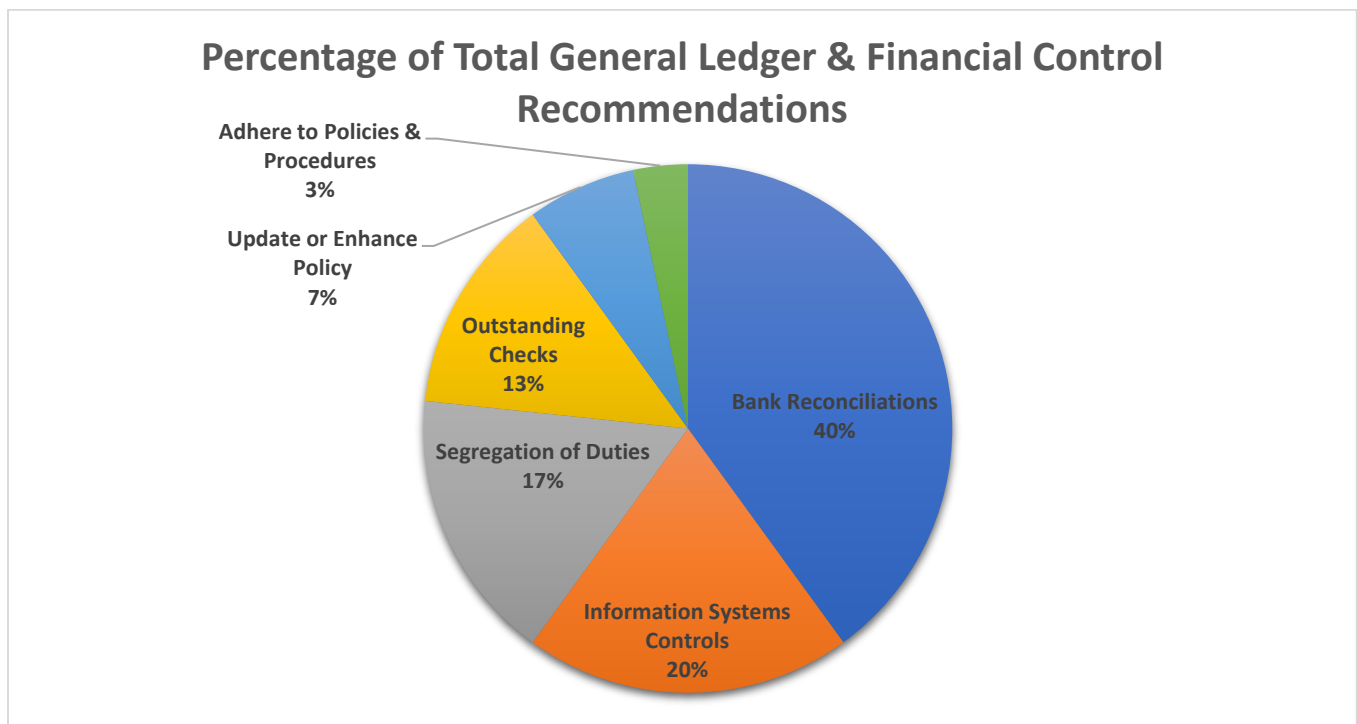
GENERAL LEDGER & FINANCIAL CONTROLS

From October 1, 2019 to September 30, 2021, the OIG issued 30 recommendations to all nine grantees audited during the period regarding general ledger and financial controls. The recommendations related to issues with bank reconciliations, information systems controls, segregation of duties, outstanding checks, updating, or enhancing policies, and adhering to policies.

Exhibit 5: Summary of Total General Ledger & Financial Control Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Bank Reconciliations	12	4
Information Systems Controls	6	5
Segregation of Duties	5	4
Outstanding Checks	4	4
Update or Enhance Policy	2	2
Adhere to Policies & Procedures	1	1
Grand Total	30	

Exhibit 6: Percentage of Total General Ledger & Financial Control Recommendations



Bank Reconciliations

The OIG issued twelve recommendations to four grantees related to improving bank reconciliation procedures. During the OIG's review, auditors found bank reconciliations were not always performed in a timely manner, were missing approval signatures or dates, and were performed under an inadequate separation of duties.

Information Systems Controls

The OIG issued six recommendations to five different grantees regarding weak financial controls over information systems controls. For instance, auditors found that the accounting systems at all five grantees failed to limit access rights among authorized users; access was not tailored to job duties; and one grantee's entire fiscal department had edit access to the grantee's accounting system. Two other grantees maintained access rights for terminated employees; one of these grantees had a dormant account for the system administrator.

Segregation of Duties

During the period, the OIG issued five recommendations to four grantees pertaining to a lack of segregation of duties for general ledger and financial controls. Most of the related findings noted a lack of independent review for financial transactions and a lack of access control over grantee financial information and accounts. Additionally, several grantees had one staff member performing reconciliation, record keeping, data maintenance, and payroll functions.

Outstanding Checks

During the two-year period, the OIG found that four grantees did not resolve outstanding checks properly or within a reasonable timeframe. In some cases, the outstanding checks were outstanding over six months.

Update or Enhance Policy

The OIG noted that two grantees failed to update or enhance their policies and procedures pertaining to general ledgers and financial controls. One grantee's written petty cash policies and procedures did not include procedures for overages, shortages, or losses. Another grantee's policies lacked procedures for terminating accounting system access when a user was transferred or terminated.

Adhere to Policies and Procedures

The OIG noted that one grantee failed to adhere to their policies and procedures pertaining to general ledgers and financial controls. Specifically, the audit team found that while the grantee had policies for timely reconciliation of bank statements, those policies were not followed.

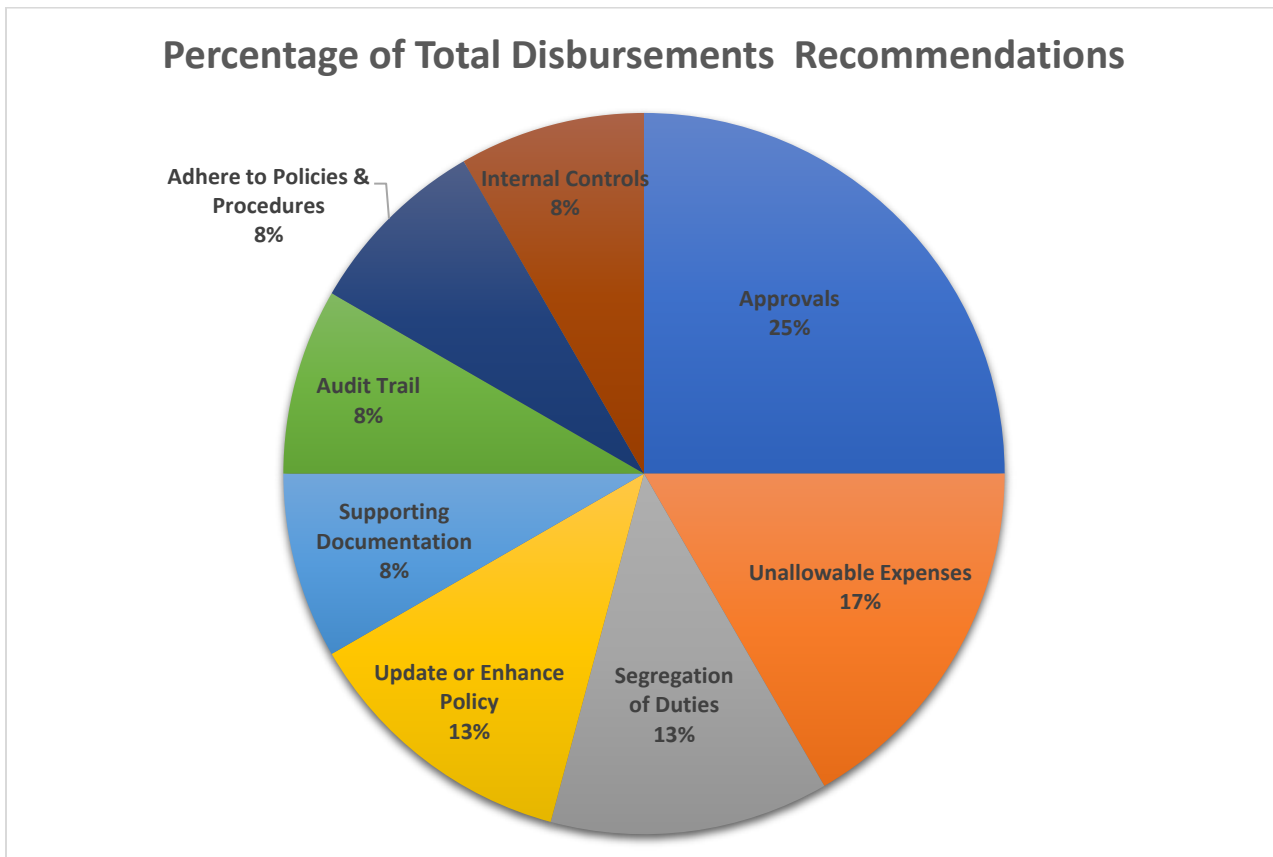
DISBURSEMENTS

In audits issued from October 1, 2019 to September 30, 2021, the OIG found that internal controls over disbursements needed strengthening and issued 24 recommendations to all nine grantees in this area. The issues related to approvals, unallowable expenses, segregation of duties, and updating or enhancing policies and procedures, among others.

Exhibit 7: Summary of Disbursements Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Approvals	6	5
Unallowable Expenses	4	4
Segregation of Duties	3	2
Update or Enhance Policy	3	3
Adhere to Policies & Procedures	2	2
Audit Trail	2	1
Internal Controls	2	1
Supporting Documentation	2	2
Grand Total	24	

Exhibit 8: Percentage of Total Disbursements Recommendations



Approvals

During the period, the OIG found that five grantees failed to follow adequate purchase approval processes. Common examples included purchases being approved after commitment of resources were made or not approved at all, and a lack of documentation of approvals.

Unallowable Expenses¹⁰

The OIG noted instances of LSC funds used for unallowable expenses with four grantees. One grantee charged \$7,761 of unallowable expenses (including staff events, meals, and promotional items) to LSC. In the second audit, there were disbursements totaling \$2,511 for floral arrangements, non-business local travel, non-business party supplies, and event planning. In the other two audits, the audit team found disbursements of \$202 charged to LSC for unallowable expenses including flowers and a membership fee. The OIG considered these costs immaterial and did not refer them to LSC management as questioned costs because test work demonstrated that they clearly resulted from isolated instances of management oversight.

Segregation of Duties

The OIG issued three recommendations to two grantees regarding segregation of duties related to disbursements. One grantee's Accounts Payable Coordinator was responsible for processing accounts payable, receiving and opening mail, and maintenance of the master vendor list (including adding new vendors and updating or changing vendor information). Another grantee had a lack of segregation of duties over accounts payable, general ledger posting, and safeguarding check stock; two executives simultaneously had access to the check stock and were authorized check signors; and another staff member held both accounts payable and general ledger posting functions.

Update or Enhance Policies and Procedures

In three audits, the audit team found that grantee policies for purchases and expenses either did not address certain disbursements, such as unallowable expenses and expenses below a certain threshold or failed to fully address actual practices regarding cash disbursements. The OIG recommended the Executive Directors update written policies and procedures to include procedures for LSC unallowable costs, procedures for approval of disbursements below \$2,000, and procedures that fully reflect actual practices regarding disbursements.

Adhere to Policies & Procedures

The OIG found that two different grantees did not adhere to their own written policies and procedures for disbursements. Auditors found that grantees had policies for prior approval of

¹⁰ While both the Credit Cards and Disbursements audit areas include unallowable expenses as a type of finding with related recommendations, the recommendations in each of the Credit Cards and Disbursements audit areas are unique and do not overlap. The Finding Area/Recommendation Topics are similar in that both involve the expenditure of LSC funds. However, despite this similarity, the OIG audits these audit areas differently.

specific expenses (i.e., reimbursements and purchase requests) and for voiding checks that were not followed by staff.

Audit Trail

The OIG issued two recommendations to one grantee regarding their audit trail of certain disbursements reviewed by the auditors. The auditors were unable to trace seven disbursements, totaling \$99,748, to the grantee's general ledger documents. Additionally, the grantee did not assign funding codes to these disbursements in their accounting system.

Internal Controls

In one audit, the OIG noted a lack of internal controls over disbursements. Specifically, the audit team identified three disbursements, totaling \$1,861 (including per diem allowances), which did not align with the grantee's Travel Reimbursement Policy. Incorrect per diem allowances were paid to travelers because updates to the grantee's travel reimbursement policies and procedures were not clearly communicated to employees. Per diem reimbursements in excess of the amount authorized by the grantee's accounting manual may cause abuse or misappropriation of the grantee's limited resources.

Supporting Documentation

During two audits of LSC grantees, the OIG found that disbursements were not supported with appropriate documentation. For example, the OIG noted a lack of documentation for cleaning and maintenance services as well as employee reimbursements, including mobile phone expenses and a payroll deduction error.

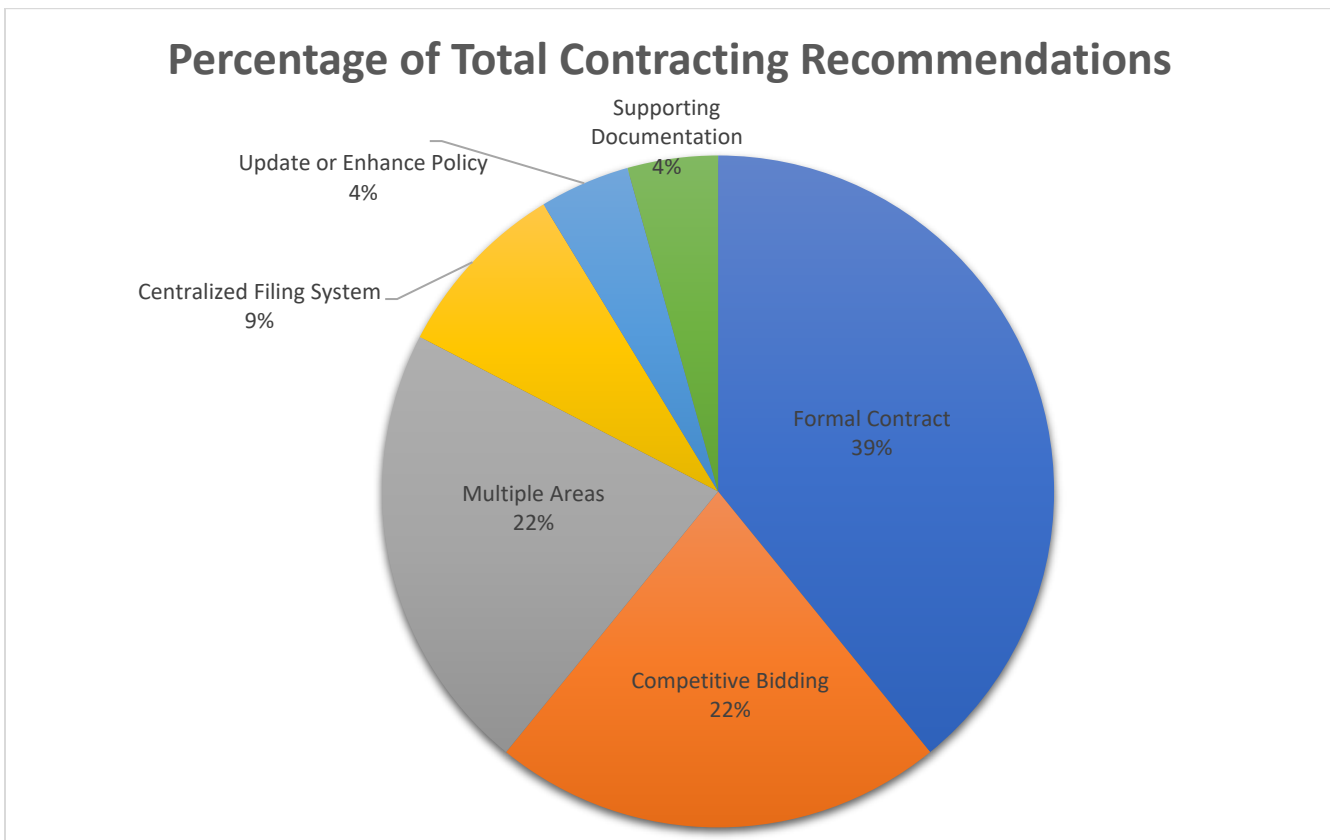
CONTRACTING

Issues concerning contracting processes, policies, and procedures are common during OIG audits of LSC grantees. From October 1, 2019 to September 30, 2021, the OIG issued 23 recommendations to 8 of the 9 grantees audited during the period, related to contracting. These recommendations included but were not limited to ensuring contracts are sufficiently documented, that contracts are competitively bid, and that grantee management maintains contracts and requisite supporting documentation in centralized filing systems.

Exhibit 9: Summary of Contracting Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Formal Contract	9	3
Competitive Bidding	5	3
Multiple Areas ¹¹	5	4
Centralized Filing System	2	2
Update or Enhance Policy	1	1
Supporting Documentation	1	1
Grand Total	23	

Exhibit 10: Percentage of Total Contracting Recommendations



Formal Contracts

Nine recommendations related to formal contract agreements were issued to three grantees during the reporting period. During a review of 13 judgmentally selected vendor contracts at one grantee (representing approximately 67 percent of their third-party contracts), the OIG found contracts that were not on file, services and/or hours billed outside the scope of the applicable

¹¹ Recommendations in this Finding Area/Recommendation Topic simultaneously covered several Finding Areas/Recommendation Topics and have been addressed below within their own subsection.

contract, and third-party vendors paid incorrect amounts. Additionally, some contracts were perpetually renewed, were not subject to a competitive bidding process, included inadequate sole source documentation, or were missing required contract elements.

Competitive Bidding

During the two-year compendium period, the OIG issued five recommendations to three grantees related to competitive bidding in contracting. The audit team found that one grantee lacked evidence of competitive bidding for three of the 11 vendors selected for testing and lacked sole source justifications for four of the 11 sampled vendors. Another grantee lacked a documented period of performance and periodic rebidding for three of 13 sampled contracts; one of the three contracts had been in place for over twenty years. The third grantee lacked documentation to support sole source contracts.

Multiple Areas¹²

During the period, the OIG found that four grantees had issues in multiple, overlapping contracting areas. All four grantees lacked documentation of competitive bidding or sole source justifications and failed to maintain contracts and supporting documentation in a central file. One of the four grantees failed to perform the aforementioned actions in violation of their written contracting policies and procedures. Another of the four grantees could not locate one of the nine contracts reviewed by the audit team. In another instance, auditors found that another grantee could not locate three of eight contracts judgmentally selected for review, totaling \$41,879. The remaining five contracts were on file but lacked appropriate approvals and signatures, sole source justification, documentation of competitive bidding, and/or current contract terms, including payment amounts.

The OIG recommended that Executive Directors comply with the requirements of LSC Accounting Guide 3-5.16, their respective contract policies and procedures, and ensure that contracts, contract actions, invoice payments, and related approvals are properly documented and maintained on file.

Centralized Filing System

In two audit reports, the OIG recommended that both grantees maintain a centralized filing system for all contracts. Specifically, the audit team found that contracts and related documentation were not filed in a central location, and, in one instance, the grantee could not locate contract documentation when requested.

¹² The multiple finding areas related to competitive bidding, maintaining a centralized filing system, establishing formal contracts, adhering to policies and procedures, missing supporting documentation, and documenting contract approval actions.

Supporting Documentation

We found that one grantee did not have adequate supporting documentation to verify itemized line items on quarterly invoices for goods and services including office space, utilities, furniture, etc. The aforementioned grantee had one invoice, totaling \$43,177, that did not include any additional information to support the amount billed.

Update or Enhance Policy

The OIG issued one recommendation regarding a grantee updating or enhancing their policies and procedures pertaining to contracting. During the audit, the OIG found that the grantee did not consistently follow its written policies and procedures and had several contracts which were not adequately documented, failed to seek LSC approval for contracts over \$25,000, and/or failed to maintain contract documents in a central file. Additionally, one long-standing contract had not been rebid.

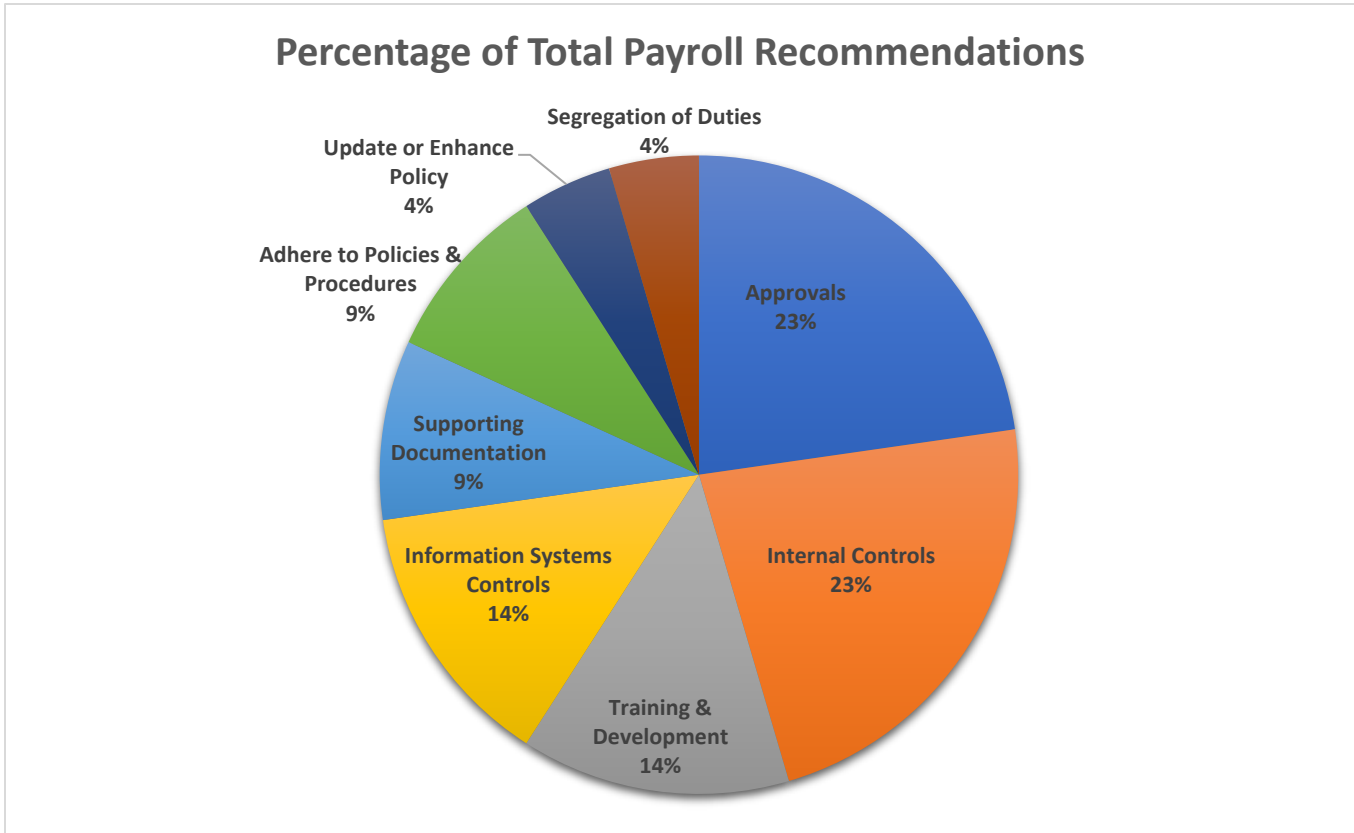
PAYROLL

From October 1, 2019 to September 30, 2021, the OIG issued 22 recommendations to seven grantees advising improvements to their policies regarding timesheet approvals, payroll registers, and information systems controls to ensure compliance with the LSC Accounting Guide.

Exhibit 11: Summary of Payroll Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Approvals	5	4
Internal Controls	5	4
Information Systems Controls	3	2
Training & Development	3	3
Adhere to Policies & Procedures	2	2
Supporting Documentation	2	2
Segregation of Duties	1	1
Update or Enhance Policy	1	1
Grand Total	22	

Exhibit 12: Percentage of Total Payroll Recommendations



Approvals

The OIG issued five recommendations to four different grantees regarding approvals of payroll transactions. Generally, staff timesheets and compensatory time requests lacked advance and/or supervisory approval and signatures, as required by the grantees' written policies and procedures as well as LSC's *Fundamental Criteria*, Section 3-5.5, Payroll. One grantee's staff member approved their own timesheet, in violation of the grantee's policies.

Internal Controls

The OIG found that four grantees had weak internal controls in place for payroll and issued five recommendations in response to discrepancies between staff timesheets and corresponding payroll registers, among other things. For example, one grantee did not have management perform periodic reviews of the payroll register's data for pay rate accuracy; another failed to maintain a separate payroll account and processed payroll through their operating bank account.

Information Systems Controls

The OIG issued three recommendations to two grantees regarding weak information systems controls over payroll. For example, one grantee's payroll register, generated from their online payroll system, did not include time accrued, time taken, or available balances for compensatory

time; the grantee tracked compensatory time by referring to the employee's manual timesheet. Another grantee's HR Coordinator and the Fiscal Administrator/CFO both had "administrator" user rights to the payroll software system which allowed both to make changes to pay rates, including their own.

Training & Development

The OIG issued three recommendations to three grantees regarding payroll training and development. Two grantees had issues with discrepancies between employee timesheets and the payroll register, sometimes caused by improper payroll coding. The other grantee was missing supervisory review on 20 of 50 reviewed timesheets. The OIG recommended that Executive Directors train staff on payroll protocols, including automated payroll systems, payout and leave codes, documentation, review, processing, reporting, and approval.

Supporting Documentation

During the period, the OIG issued two recommendations to two grantees regarding the grantees' lack of supporting documentation for payroll. One grantee failed to maintain all staff timesheets on file and had timesheets that were missing supervisory approval and signatures. The other grantee had three incomplete personnel files (out of seven reviewed) which violated applicable collective bargaining agreement provisions as well as applicable LSC guidance.

Adhere to Policies & Procedures

The OIG found that two grantees did not adhere to their own written policies and procedures for payroll. In one example, the grantee's written policies and procedures required that the Executive Director maintain a log of their time (worked and time taken off) in a manner acceptable to the Board of Directors for review. Auditors discovered through interviews with the Chief Financial Operating Officer that the Executive Director's timesheets were not reviewed by the Board of Directors. Management stated this occurred due to management oversight.

Segregation of Duties

The OIG issued one recommendation regarding segregation of duties related to payroll. One individual controlled the preparation and disbursement of payroll, which was not reviewed prior to payment. The individual submitted a payroll summary to supervisory personnel at the time payroll was disbursed, but the disbursement was not dependent upon the supervisor's approval.

Update or Enhance Policy

The OIG recommended that one grantee's policies for payroll needed to be updated and/or enhanced. Although the grantee's human resources software had a feature for requesting and approving time off, requests for paid time off were typically made verbally and not documented through the human resources software.

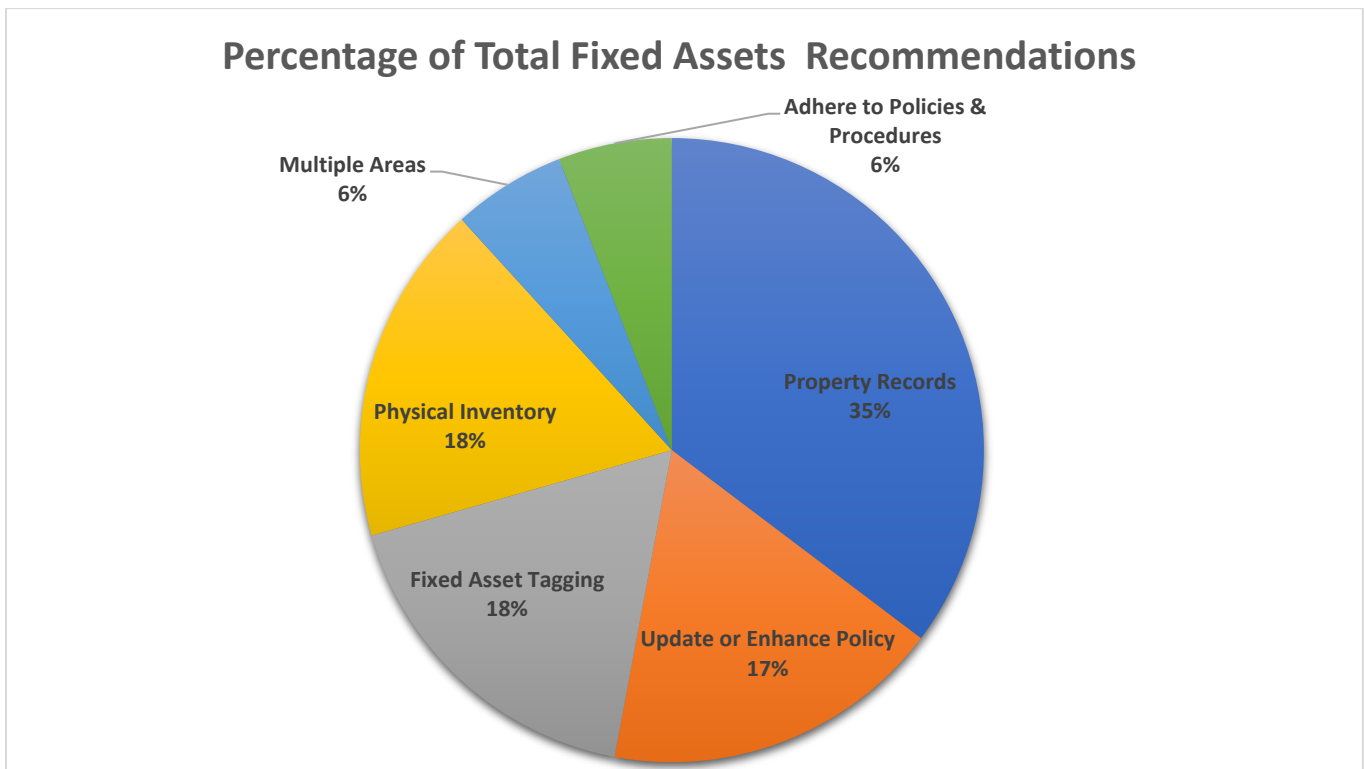
FIXED ASSETS

The OIG issued seventeen recommendations regarding fixed assets in seven audits issued from October 1, 2019 to September 30, 2021. Recommendations mainly related to improving practices over maintaining property records, updating, or enhancing policies and procedures, tagging of fixed assets, and conducting physical inventories.

Exhibit 13: Summary of Fixed Assets Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Property Records	6	4
Fixed Asset Tagging	3	3
Physical Inventory	3	3
Update or Enhance Policy	3	3
Adhere to Policies & Procedures	1	1
Multiple Areas ¹³	1	1
Grand Total	17	

Exhibit 14: Percentage of Total Fixed Assets Recommendations



¹³ Recommendations in this Finding Area/Recommendation Topic category simultaneously covered several Finding Areas/Recommendation Topics and have been addressed below within their own subsection.

Property Records

The OIG issued six recommendations to four different grantees regarding property records that were not up-to-date and were missing data required by LSC's *Fundamental Criteria*. Examples of missing data included the description of property, date acquired, check numbers, funding sources, original cost, estimated life, fair value (if donated), method of valuation (if donated), and salvage value. Moreover, the OIG found that grantees did not always include tag numbers or adequately detailed records of assets and their present location, including recording when assets were disposed of or acquired.

Fixed Asset Tagging

The OIG issued three recommendations to three different grantees regarding fixed asset tagging. One grantee failed to tag assets with a cost or value of \$200 or more as well as failing to record all the elements of the property record required by the LSC Accounting Guide and its own fixed asset policies and procedures. Elements not recorded included: the date acquired, check number, original cost, funding source, estimated life, fair value (if donated), method of valuation (if donated), salvage value, and the disposal or acquisition of new items. At the second grantee, the OIG noted a lack of understanding of the tagging responsibilities; for example, the IT Director and grantee Executive Director provided conflicting responses when asked about tagging responsibilities and the meaning of tag colors. The third grantee failed to affix property tags on any fixed asset items.

Physical Inventory

During the period, the OIG found that three grantees did not perform adequate physical inventories of fixed assets. Two grantees failed to conduct a physical inventory every two years, as required by Section 2-2.4, Property, of the LSC Accounting Guide. One of these grantees had yet to conduct a physical information technology (IT) inventory at the time of the audit but "pinged" grantee laptops within the last six months to see when they had last logged onto the grantee's network (described as conducting a digital inventory). This digital inventory method is unable to locate grantee laptops when they are not logged onto grantee's networks.

Update or Enhance Policy

During the period, the OIG found that three grantees needed to update or enhance their fixed asset policies and procedures. Generally, grantees' written policies and procedures lacked detail, including the parties responsible for performing asset tagging functions and the property record elements required by the *Fundamental Criteria*, and did not reflect their actual fixed asset tagging practices.

Adhere to Policies and Procedures

The OIG found that one grantee did not adhere to their own written policies and procedures for fixed assets. Specifically, the grantee's fixed asset listing did not include the check number and location as required by LSC *Fundamental Criteria*, Section 3-5.4(c), Record Keeping, Property Record, as well as the grantee's written policies and procedures. The OIG recommended that the grantee adhere to its policies and procedures for maintaining fixed asset listings with the information necessary to properly track and account for them.

Multiple Areas¹⁴

The OIG found one grantee had issues in multiple, overlapping fixed asset areas. In tracing 22 IT equipment items from the grantee's fixed assets/inventory listing to their physical location, the audit team was not able to trace one laptop that, according to grantee's IT & Infrastructure Manager, had been disposed of. This disposition was not reflected in the grantee's Fixed Asset and Inventory listing because the grantee does not maintain disposition data.

COST ALLOCATION

Over the two-year period, the OIG issued 12 recommendations to six grantees related to cost allocation. Audit findings revealed that grantees' cost allocation procedures were not compliant with the LSC Accounting Guide.

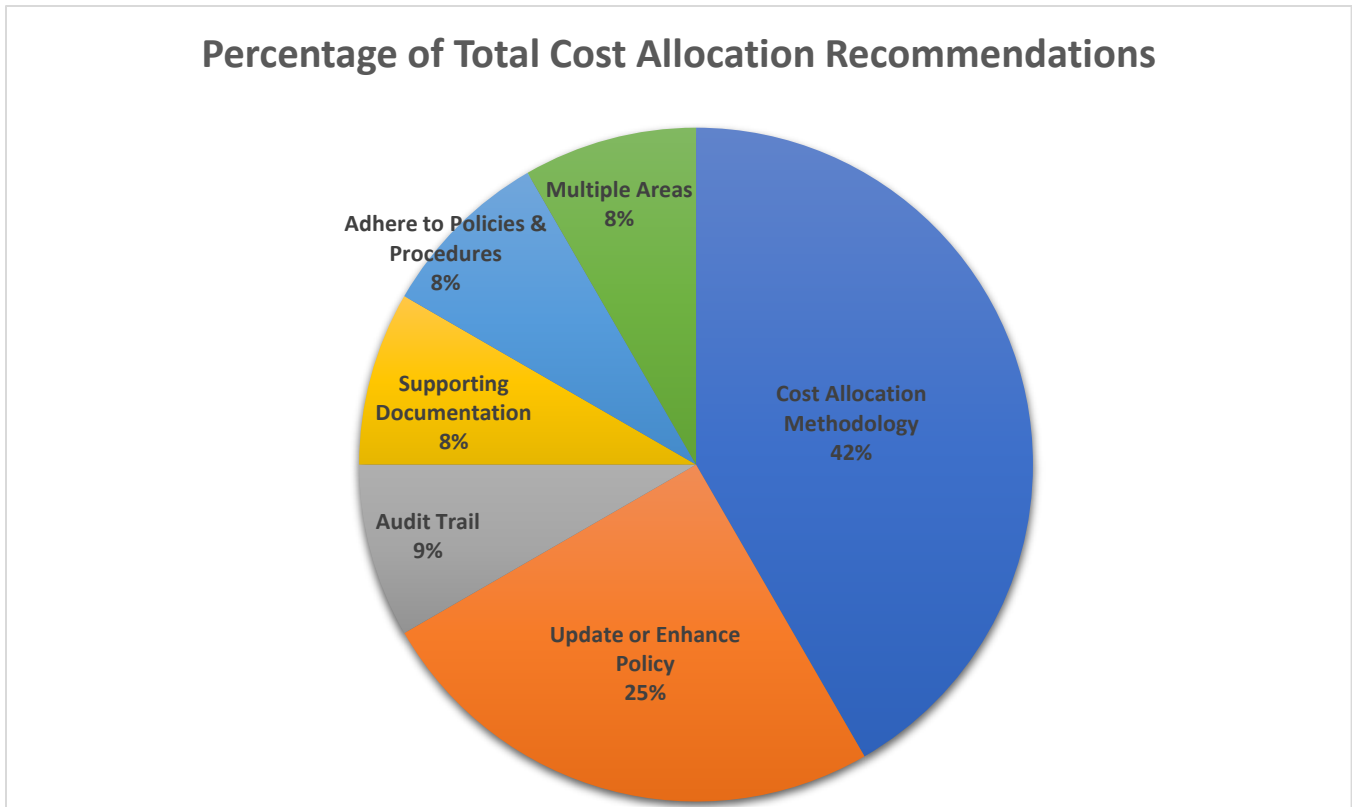
Exhibit 15: Summary of Cost Allocation Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Cost Allocation Methodology	5	3
Update or Enhance Policy	3	2
Adhere to Policies & Procedures	1	1
Audit Trail	1	1
Supporting Documentation	1	1
Multiple Areas ¹⁵	1	1
Grand Total	12	

¹⁴ The multiple finding areas related to tracking of IT equipment and property records.

¹⁵ Recommendations in this Finding/Recommendation Topic category simultaneously covered several Finding/Recommendation Topics and have been addressed below within their own subsection.

Exhibit 16: Percentage of Total Cost Allocation Recommendations



Cost Allocation Methodology

The OIG issued five recommendations to three grantees pertaining to cost allocation methodologies. Generally, the audit team found that: 1) grantees did not allocate funds equitably and/or proportionately among the applicable funding source; or 2) cost allocations were not performed frequently enough to provide meaningful financial information to grantee management.

Update or Enhance Policy

The OIG found that two grantees' policies for cost allocations needed to be updated and/or enhanced. One grantee's actual cost allocation practices did not align with their written policies and procedures. The other grantee's written policies and procedures inequitably allocated 100% of indirect costs to LSC in contravention of LSC's regulations and guidelines.

Adhere to Policies and Procedures

The OIG found that staff within one grantee failed to adhere to their policies and procedures pertaining to cost allocation. Specifically, the audit team noted that the grantee's written cost allocation methodology and formula deviated from the methodology and formula used in practice. The OIG advised the grantee to ensure staff complies with written policies and

procedures for cost allocation. Any deviation from the written cost allocation formula should be documented on file.

Audit Trail

The OIG issued one recommendation regarding a grantee's audit trail for cost allocation. Auditors found that allocations for indirect costs were not traceable in the grantee's accounting system. The grantee recorded and assigned direct costs to corresponding funding sources but left indirect costs "unclassified" in the accounting system. At year end, the Independent Public Accountant (IPA) performed allocations for indirect costs using a formula the Executive Director developed. However, the grantee did not record the IPA's allocations in the accounting system and did not have the allocation used by the IPA for 2017. The lack of adequate documentation of allocations performed limited the OIG's ability to determine whether grantee complied with LSC regulations and guidance.

Supporting Documentation

During the period, the OIG issued one recommendation regarding the grantee's lack of supporting documentation for cost allocation. The grantee applied cost allocation methodologies using Microsoft Excel but could not provide historical formulas and workbooks for all five indirect costs sampled by the auditors, totaling \$50,268. Although the grantee consistently performed allocations, they did not maintain sufficient documentation to enable the auditors to test the formula.

Multiple Areas¹⁶

During the compendium period, the OIG found that one grantee had issues in multiple, overlapping cost allocation areas. The grantee's written cost allocation policies and procedures, including the formula and methodology for allocations of indirect personnel and non-personnel costs, are not maintained in sufficient written detail. The OIG also found that the Senior Accountant is the only staff member who can perform allocations of indirect costs and that the grantee relies solely on them for this task.

INTERNAL REPORTING AND BUDGETING

In audits issued from October 1, 2019 to September 30, 2021, the OIG issued eight recommendations to four grantees pertaining to weak internal reporting and budgeting practices. Common issues included untimely management reports, the need to update and enhance policies, and budget projections not being built from cost centers¹⁷ or funding source.

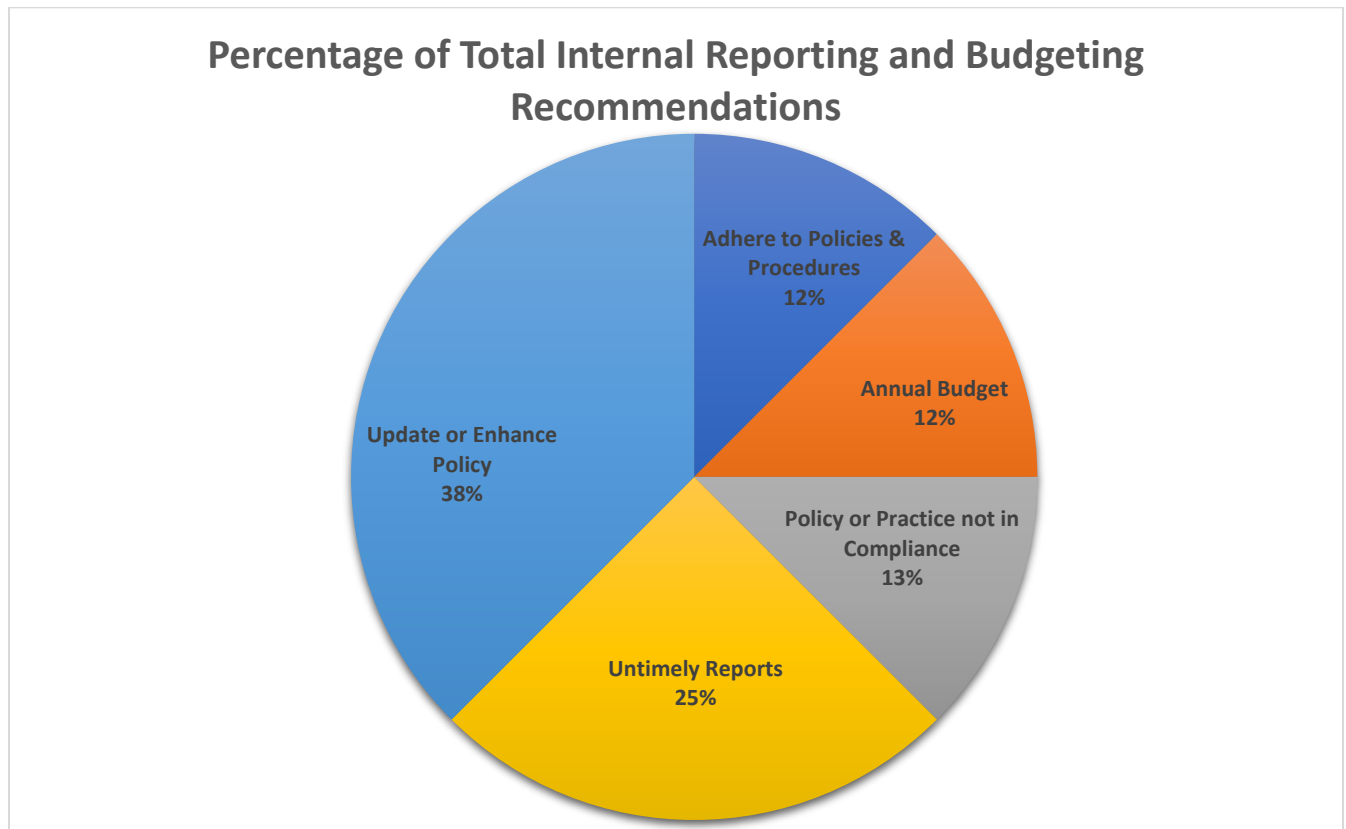
¹⁶ The multiple finding areas related to updating or enhancing policies and training and development

¹⁷ A cost center is a department or other unit within an organization to which costs may be charged for accounting purposes.

Exhibit 17: Summary of Internal Reporting and Budgeting Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Update or Enhance Policy	3	2
Untimely Reports	2	2
Adhere to Policies & Procedures	1	1
Annual Budget	1	1
Policy or Practice not in Compliance	1	1
Grand Total	8	

Exhibit 18: Percentage of Total Internal Reporting and Budgeting Recommendations



Update or Enhance Policy

The OIG issued three recommendations to two grantees regarding updating or enhancing their internal reporting and budgeting written policies and procedures. One grantee’s Accounting Manual did not detail any policies or procedures for their budgeting process or the prescribed number of days after month-end that the monthly management reports should be prepared and distributed to the Executive Director. The other grantee was not following their own policies regarding the preparation of quarterly reports; only 9 of 16 required reports were prepared and all nine had deficiencies (i.e., lacked required signatures, were untimely).

Untimely Reports

During the compendium period, the OIG issued two recommendations to two different grantees regarding the untimely preparation of management reports. In one instance, the auditors found that seven of the 16 reports selected for review were not prepared in a timely manner. The OIG recommended that both grantees ensure that all reports are prepared consistently and on a timely basis, in accordance with LSC and grantee policies and procedures.

Adhere to Policies and Procedures

The OIG issued one recommendation regarding internal reporting policies that were not followed by staff. The grantee only prepared nine of the requisite 16 monthly management reports and failed to obtain requisite signatures and dates on all nine reports.

Annual Budget

The OIG's review of one grantee's budget reports and procedures found that the grantee prepared overall budgets based on historical data. The grantee did not base budget projections on class or funding sources. According to the Fiscal Administrator, some of the grants have a budget that is submitted to the grantor while other grants are small with limited funding. The LSC *Fundamental Criteria*, Section 3-5.10, Budgeting, mandates the budget should be built from cost centers/function and "rolled-up" to create the total budget.

Policy or Practice not in Compliance

The OIG issued one recommendation regarding a grantee's practice not being in compliance with LSC internal budgeting and reporting guidance and/or regulations. The grantee did not keep minutes for the Audit and Finance Committee meeting as required by LSC's *Fundamental Criteria*, Section 3-5.2(b), Governing Body. These meetings are held primarily to discuss the yearly budget and review the grantee's financial statement audit. The OIG recommended that the Audit and Finance Committee record financial decisions and approvals made by the governing body, in accordance with the LSC Accounting Guide.

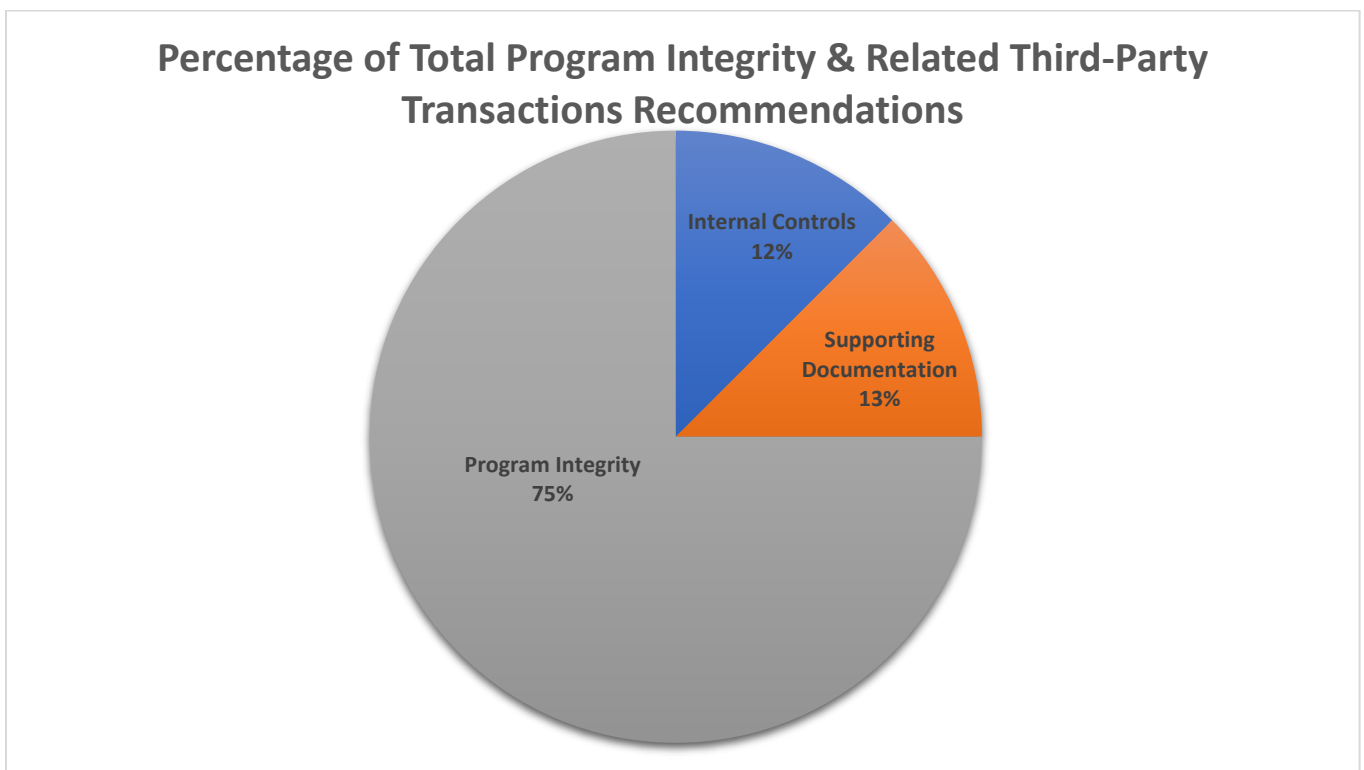
PROGRAM INTEGRITY & RELATED THIRD-PARTY TRANSACTIONS

From October 1, 2019 to September 30, 2021, the OIG issued eight recommendations to two different grantees regarding program integrity and related third-party transactions. The recommendations pertained to grantees working so closely with related third-party organizations that overlapping personnel, lack of requisite documentation, and other issues arose.

Exhibit 19: Summary of Program Integrity & Related Third-Party Transactions Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Program Integrity	6	1
Internal Controls	1	1
Supporting Documentation	1	1
Grand Total	8	

Exhibit 20: Percentage of Total Program Integrity & Related Third-Party Transactions Recommendations



[Program Integrity](#)

The OIG issued six recommendations to one grantee who partnered with a related third-party who engaged in LSC restricted activity. While the two organizations appeared to be legally separate entities with separate accounting and timekeeping systems, the OIG was concerned that the organizations’ staff shared responsibilities between the two entities. It was unclear to auditors whether staff could effectively divide time and establish controls between both organizations when their roles and responsibilities are critical to both organizations. Relatedly, the OIG also found that this grantee deviated from their Administrative Service Contract with the partner organization by 1) paying for 20 administrative staff when they had only contracted to pay for 13; and 2) overpaying the salaries for this administrative staff.

Internal Controls

The OIG found that one grantee had weak internal controls in place relating to program integrity and related third-party transactions. That grantee received information technology, bookkeeping, financial management and human resource services from a partner organization. However, it appears that the Chief Financial Officer, Accounting Assistant/Bookkeeper, Human Resources Coordinator, and Information Technology Administrator were shared by both the grantee and the partner organization, raising the concern that these individuals were acting as the grantee's employees rather than as independent contractors.

Supporting Documentation

The OIG issued one recommendation to the same grantee discussed in the Program Integrity subsection regarding a lack of supporting documentation for program integrity and related third-party transactions. The grantee did not evaluate or revise the indirect maintenance cost allocation ratio during the year as required by the lease when significant changes to employee headcount occurred. As a result, the partner organization undercharged the grantee by \$2,933 for Common Area Maintenance (CAM) incurred during the year because they relied on CAM charges from 2018 rather than revaluating.

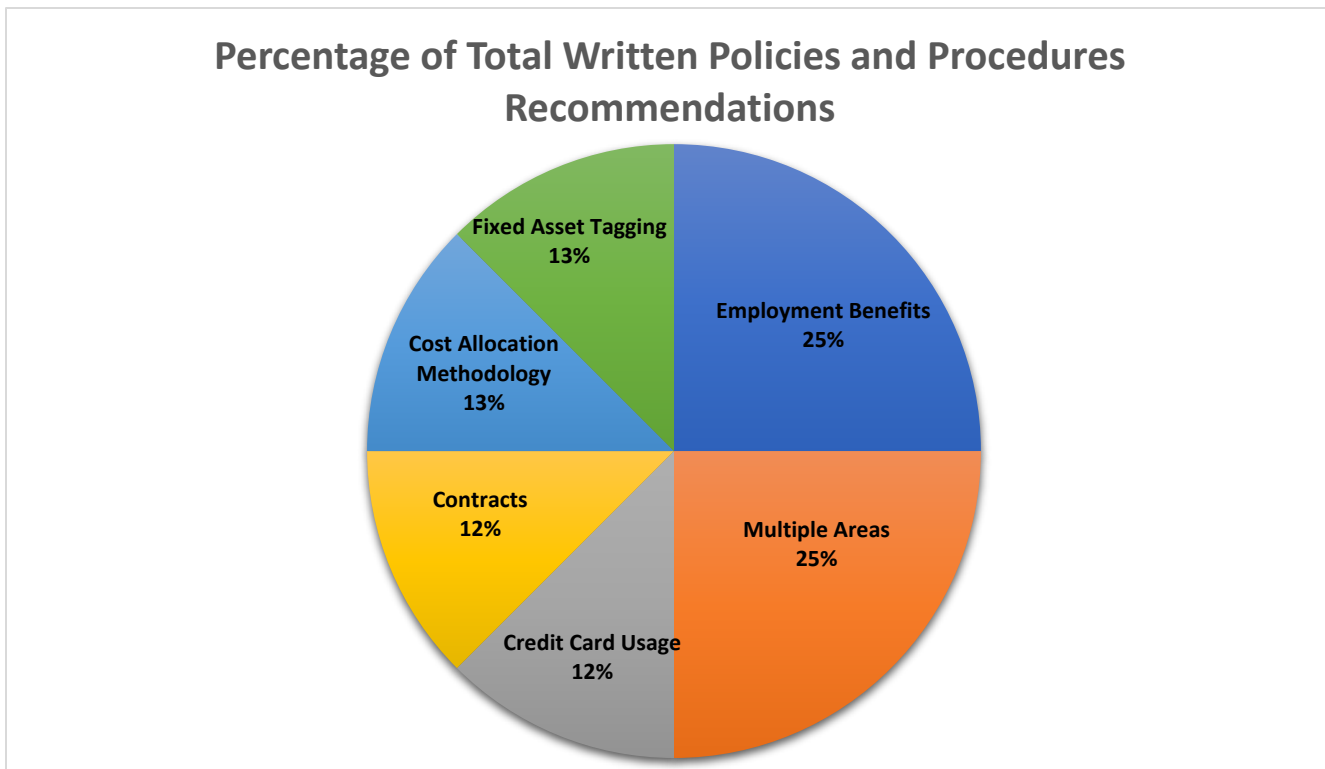
WRITTEN POLICIES AND PROCEDURES

During its internal control reviews, the OIG evaluates accounting and administrative manuals of LSC grantees to determine whether written policies and procedures are adequate, or whether those policies and procedures need improvement. In the audit reports issued from October 1, 2019 to September 30, 2021, the OIG made eight recommendations to LSC grantees to develop or enhance their written policies and procedures. The eight recommendations overlapped six areas of grantee operations, the majority of which included: cost allocation methodology, employee benefits, contracting, credit card usage, fixed asset tagging, and multiple areas (including contracting, cost allocation methodology, credit card usage, and fixed asset tagging). The following Exhibits quantify the recommendations issued by the OIG in the aforementioned six areas.

Exhibit 21: Summary of Written Policies and Procedures Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Employee Benefits	2	1
Multiple Areas	2	1
Contracts	1	1
Cost Allocation Methodology	1	1
Credit Card Usage	1	1
Fixed Asset Tagging	1	1
Grand Total	8	

Exhibit 22: Percentage of Total Written Policies and Procedures Recommendations by Topic



Employee Benefits

The OIG issued two recommendations in one audit report to improve written policies and procedures for employee benefits. One recommendation addressed a documented Student Loan Repayment Assistance Program (SLRAP) policy that was in use by the grantee but was not documented in the grantee's Accounting Manual or Employee Handbook. The other recommendation notes a lack of detail relating to cell phone reimbursements, including the procedure for the reimbursement, the allowable reimbursement amount, and the supporting documentation required.

Multiple Areas

During the compendium period, the OIG issued two recommendations to one grantee that had multiple, overlapping written policies and procedures issues. Specifically, the grantee's written policies related to cost allocation, credit card, contracting, payroll, and fixed assets were deficient. The OIG also noted that the fixed assets policy should be updated to reflect recent revisions to the federal regulation governing LSC property and equipment.

Contracts

Over the two-year compendium period, the OIG issued one recommendation to one grantee in response to weak contracting policies and procedures. Generally, auditors found that written

policies and procedures for contracts did not include elements required by Section 3-5.16, Contracting, of the *Fundamental Criteria*, such as establishing who may execute a contract on behalf of the grantee, the required approval level for various types of contracts, document retention procedures, contracting procedures, and dollar thresholds for the various contract types.

[Cost Allocation Methodology](#)

The OIG issued one recommendation to one LSC grantee to develop and strengthen written policies and procedures regarding cost allocation. The grantee’s policies and procedures did not adequately state their cost allocation formula and methodology.

[Credit Card Usage](#)

The OIG reported, in one audit report, that written policies and procedures relating to credit cards were not documented as required by the LSC [Accounting Guide](#), Section 3-4, Internal Control Structure. More specifically, the OIG found that the grantee had inadequate policies governing the management of credit cards, which included: activating and deactivating credit cards; handling impermissible charges; incurring late fees/finance charges; implementing use of credit card user agreement forms; and establishing procedures for cash advances/ATM withdrawals.

[Fixed Asset Tagging](#)

The OIG issued one recommendation advising updates to written policies and procedures for fixed assets. The OIG found the grantee lacked written policies to track and govern the disposal of fixed assets, specifically electronic devices that may contain sensitive information, as required by the LSC [Accounting Guide](#), Appendix II, Description of Accounting Records.

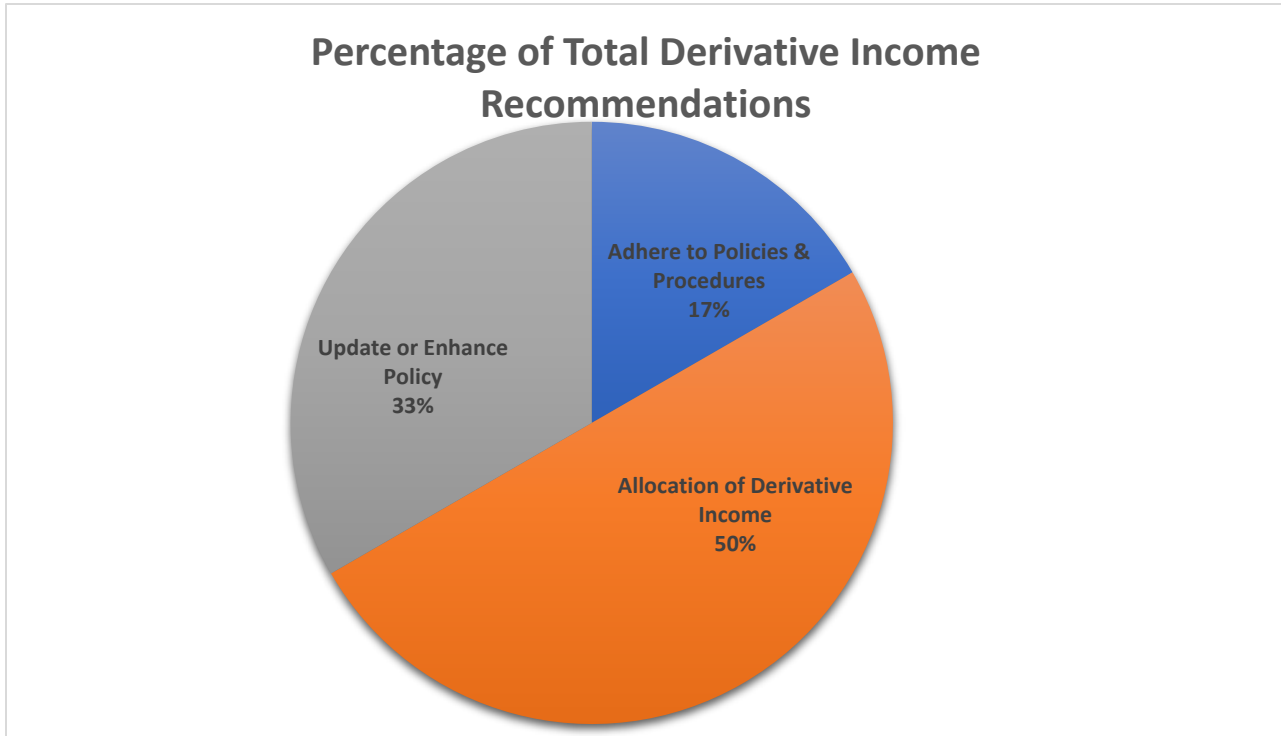
DERIVATIVE INCOME

From October 1, 2019, to September 30, 2021, the OIG issued six recommendations to three grantees regarding derivative income. The recommendations addressed issues related to the allocation of attorneys’ fees, as well as income derived from the sale of real property.

Exhibit 23: Summary of Derivative Income Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Allocation of Derivative Income	3	3
Update or Enhance Policy	2	1
Adhere to Policies & Procedures	1	1
Grand Total	6	

Exhibit 24: Percentage of Total Derivative Income Recommendations



Allocation of Derivative Income

At three grantees, the OIG found that the allocation methodologies for derivative income and used in practice were not in accordance with LSC regulations. Auditors found that the grantees did not properly allocate attorney’s fees, rental income, or proceeds generated from the sale of real property. During this period, the OIG referred a total of \$50,924 in questioned costs to LSC management for fees that should have been allocated to LSC.

Update or Enhance Policy

The OIG issued two recommendations for a grantee to update and/or enhance their derivative income policies. While the grantee was able to provide the OIG written policies and procedures over the allocation and recordation of fee-generating cases that were compliant with 45 CFR § 1609.4(b), the policies were not included in the grantee's Board-approved Accounting Manual. Additionally, the grantee failed to timely file claims for awards of attorneys’ fees.

Adhere to Policies and Procedures

The OIG issued one recommendation to a grantee regarding derivative income policies that were in place but were not followed by staff. While the grantee’s written policies and procedures regarding the allocation of derivative income and attorneys’ fees were in line with applicable LSC regulations, auditors were unable to obtain adequate documentation from the grantee to assess their compliance with LSC regulations.

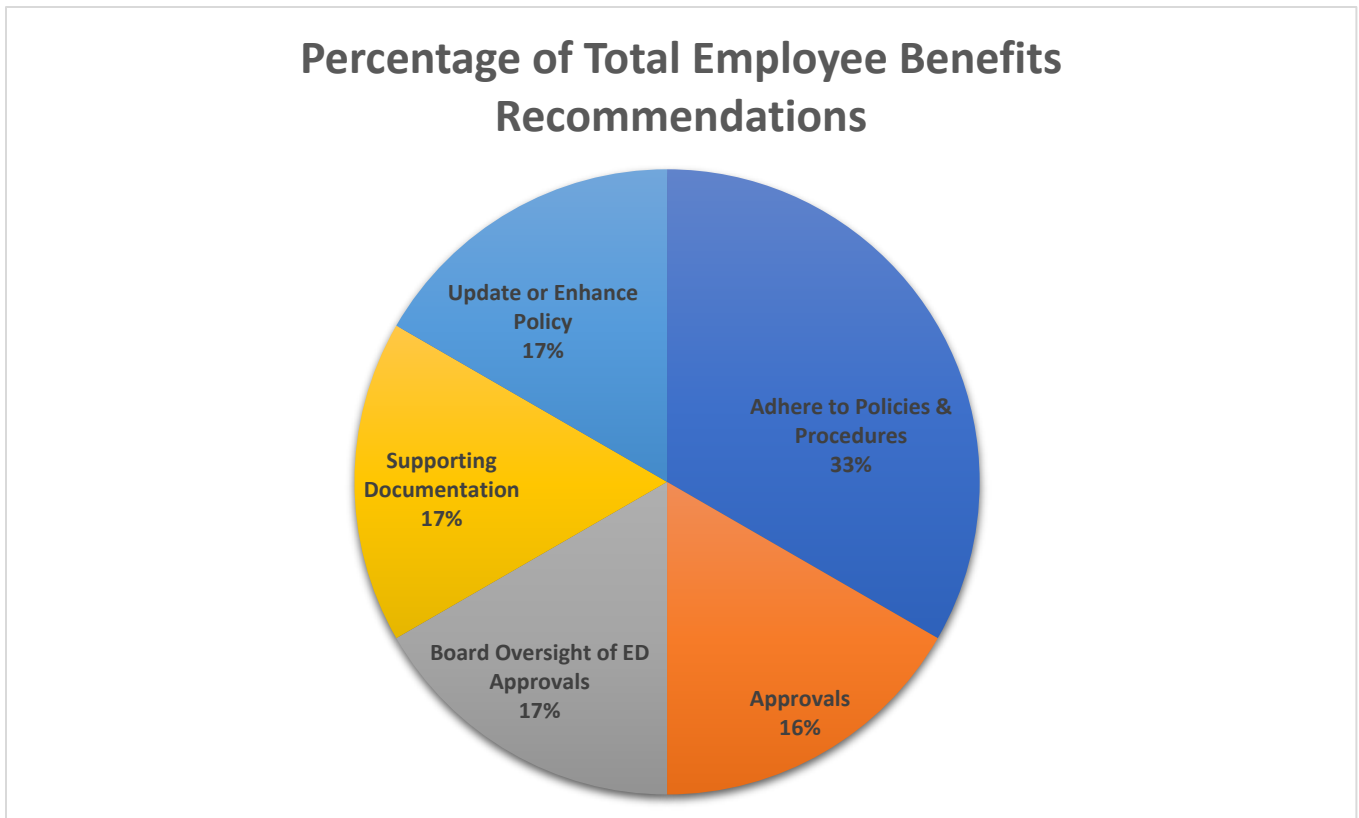
EMPLOYEE BENEFITS

During the two-year period, the OIG issued six recommendations related to five grantees' employee benefits. The related findings pertained to a lack of required approvals and/or supporting documentation, insufficient written policies and procedures, or a failure to adhere to existing written policies and procedures.

Exhibit 25: Summary of Employee Benefits Recommendations

Finding Area/Recommendation Topic	Number of Recommendations	Number of Audit Reports
Adhere to Policies & Procedures	2	2
Approvals	1	1
Board Oversight of ED Approvals	1	1
Supporting Documentation	1	1
Update or Enhance Policy	1	1
Grand Total	6	

Exhibit 26: Percentage of Total Employee Benefits Recommendations



Adhere to Policies and Procedures

The OIG issued two recommendations to two grantees regarding the grantee's failure to adhere to their employee benefits policies. While the OIG found both grantees' written policies and procedures regarding employee benefits comparable to LSC's *Fundamental Criteria*, both grantees' practices did not adhere to those written policies and procedures. Auditors noted that all six sampled salary advance agreements at one grantee lacked a signed acknowledgement agreement. The other grantee's salary advance agreements included provisions and restrictions which differed from those in the grantee's employee handbook.

Approvals

During the two-year period, the OIG found that one grantee's staff was not obtaining requisite approval to access their employee benefits. Of ten judgmentally selected staff compensatory leave balances, six staff members were required to obtain advance written approval to use compensatory time. Four of those six staff members did not obtain advanced written approval to use compensatory time as required by the grantee's written policies and procedures. Through observations and test work, the OIG determined that grantee management and employees were not aware of the requirement to obtain prior, written approval to use compensatory time. The OIG recommended the Executive Director provide training to grantee management and employees on the compensatory time policies and procedures.

Board Oversight of Executive Director Approvals

The OIG issued one recommendation regarding board oversight of Executive Director approvals. The OIG judgmentally selected six salary advances; while four of those were supported by Executive Director approval, two of the Executive Director's salary advance requests had no documentation of approval from the Board of Directors. The LSC *Fundamental Criteria*, Section 3-5.4(a), stipulates that approval should be required at an appropriate level of management before a commitment of resources is made.

Supporting Documentation

During the period, the OIG issued one recommendation regarding the grantee's lack of supporting documentation for employee benefits. The audit team reviewed 63 School Loan Reimbursement Assistance Program (SLRAP) reimbursements made over the audit period to the five employees in the auditor's sample. Eight of those reimbursements, totaling \$1,457, did not include documentation of the SLRAP reimbursement requests or proof of payment. Grantee's written policies and procedures stipulate that staff must complete an SLRAP reimbursement request form monthly and provide supporting documentation of payment.

Update or Enhance Policy

The OIG recommended that one grantee update or enhance their written policies and procedures for employee benefits. Specifically, the criteria for the grantee's cell phone

reimbursements were not clearly defined and the cell phone reimbursement policy was not communicated to staff. The grantee's cell phone reimbursement policy did not provide staff details regarding the policy (i.e., the required supporting documentation, the reimbursement request procedures, and the permitted reimbursement amount), and failed to establish guidelines for management on determining if the cell phone device had actually been used for grantee business or if the reimbursement requested was reasonable.

VEHICLES

Over the two-year period, the OIG issued two recommendations to one grantee regarding vehicles. The grantee lacked supporting mileage documentation for two of three grantee-leased vehicles. The grantee's three leased vehicles were used by their Chief Executive Officer (CEO), Chief Program Officer (CPO), and the Information Technology (IT) and Infrastructure Manager. While the IT and Infrastructure Manager maintained a log to track annual personal and business use of the grantee-leased vehicle, the CEO and CPO did not and instead estimated their annual personal vehicle use. The grantee did not provide supporting documentation detailing and substantiating these estimates of personal use.

CLIENT TRUST FUNDS

From October 1, 2019 to September 30, 2021, the OIG issued one recommendation related to client trust funds. While the grantee generally had adequate policies, processes and procedures for the recordation, receipt and disbursement of client trust funds, and performed reconciliations of the client trust bank accounts, the audit team found inadequate practices related to issuing prenumbered receipts for money received in any form other than cash.

CONCLUSION

As with previous compendium reports, the majority of findings and recommendations during the current reporting period (October 1, 2019 to September 30, 2021) were issued for deficiencies with credit cards, general ledger and financial controls, disbursements, contracting, and payroll. Findings and recommendations in the areas of cost allocation, internal budgeting and reporting, derivative income, employee benefits, and fixed assets also remained consistent with the last compendium reporting period. Payroll findings emerged as a more significant issue during this reporting period while written policies and procedures-related findings saw a sharp decrease. Additionally, several areas, including vehicles and client trust funds, for which there were no findings during the last reporting period, had findings during this period. Conversely, the area of financial reporting had one finding in the last compendium report but none in this report. Exhibits 27 and 28 compare the results of our analysis of findings and recommendations issued during this period, October 1, 2019 to September 30, 2021, to the previous reporting period, October 1, 2017 to September 30, 2019. Exhibit 29 compares the total number of recommendations issued this compendium period, October 1, 2019 to September 30, 2021, to the previous two

reporting periods, October 1, 2015 to September 30, 2017, and October 1, 2017 to September 30, 2019.

The OIG believes that a diligent effort to improve credit card policies, general ledger and financial controls, and other areas categorized in this report, will help enhance internal controls and sustain the important and high-quality work within LSC grantee organizations. The OIG hopes that the information contained in this compendium report, along with individual grantee audit reports, will improve internal control structures and will help grantees comply with the LSC Act and regulations, LSC's Accounting Guide, professional accounting standards, and other applicable legal requirements.

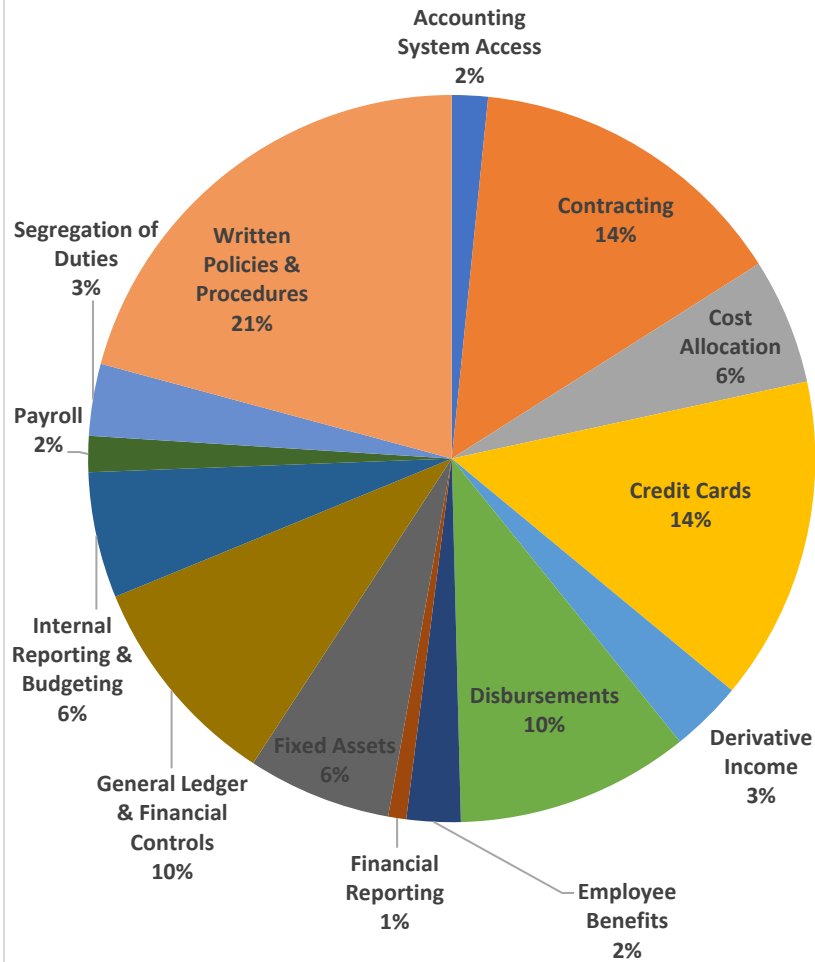
Exhibit 27: Comparison Summary of Total Recommendations by Topic¹⁸

Finding/Recommendation Topic	October 1, 2019 - September 30, 2021			October 1, 2017 - September 30, 2019			Compendium Period Percentage Differences
	Number of Recommendations	Percentage of Recommendations	Number of Audit Reports	Number of Recommendations	Percentage of Recommendations	Number of Audit Reports	
Credit Cards	30	15%	6	18	14%	6	1%
General Ledger & Financial Controls	30	15%	5	12	10%	6	6%
Disbursements	24	12%	6	13	10%	6	2%
Contracting	23	12%	6	18	14%	6	-3%
Payroll	22	11%	4	2	2%	1	10%
Fixed Assets	17	9%	1	8	6%	5	2%
Cost Allocation	12	6%	5	7	6%	5	0%
Written Policies & Procedures	8	4%	7	26	21%	7	-17%
Internal Reporting & Budgeting	8	4%	6	7	6%	4	-2%
Program Integrity & Related Party Transactions	8	4%	1	0	0%	0	4%
Derivative Income	6	3%	4	4	3%	4	0%
Employee Benefits	6	3%	1	3	2%	1	1%
Vehicles	2	1%	4	0	0%	0	1%
Client Trust Funds	1	1%	2	0	0%	0	1%
Segregation of Duties	0	0%	0	4	3%	4	-3%
Accounting System Access	0	0%	0	2	2%	2	-2%
Financial Reporting	0	0%	0	1	1%	1	-1%
Grand Total	197	100%		125	100%		

¹⁸ During the period of October 1, 2019 to September 30, 2021, the OIG issued nine audit reports. For the period of October 1, 2017 to September 30, 2019, the OIG issued seven audit reports.

Exhibit 28: Percentage Comparison of Recommendation Topics by Compendium Period

Percentage of Recommendations from Reports Issued 10/1/17-9/30/19



Percentage of Recommendations from Reports Issued 10/1/19 - 9/30/21

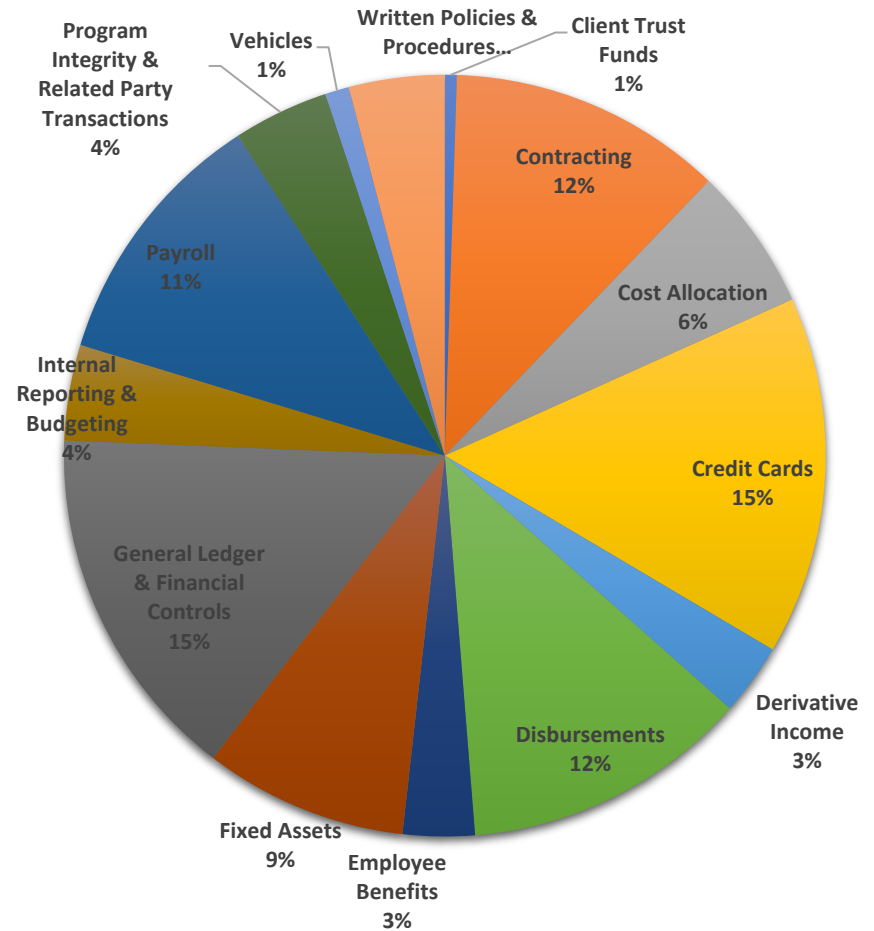


Exhibit 29: Comparison of Total Recommendations by Topic by Compendium Period

Total Number of Recommendations By Topic By Compendium Period

