

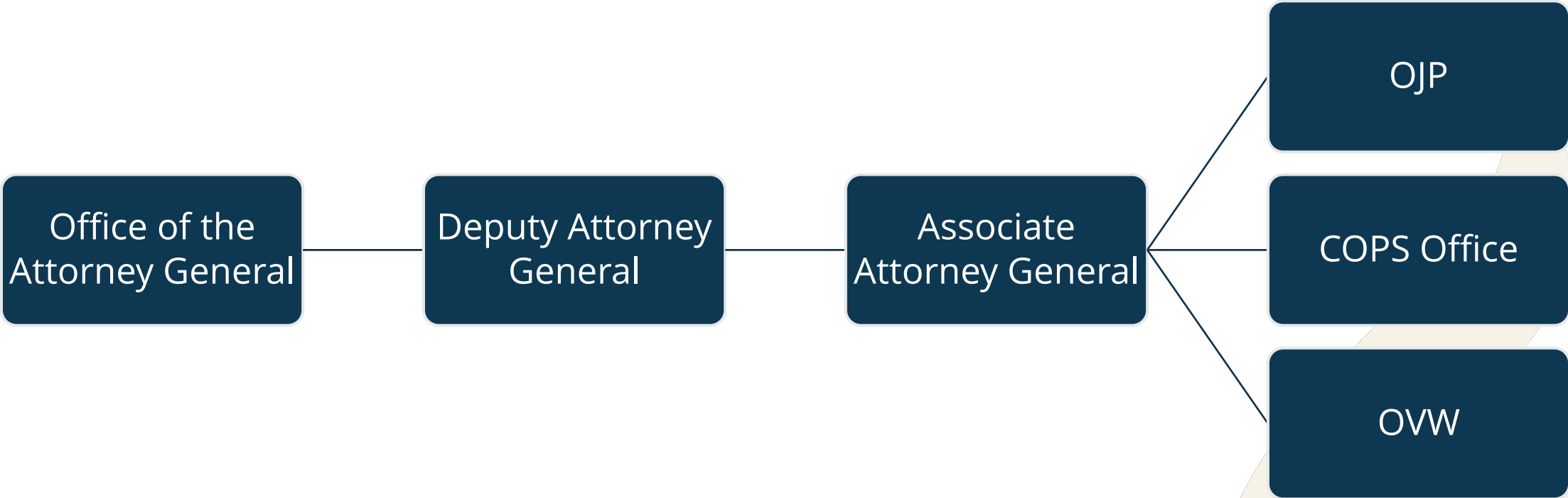
# The Grant Award Audit Process

Department of Justice

Office of the Inspector General



# DOJ Grant Awarding Agencies

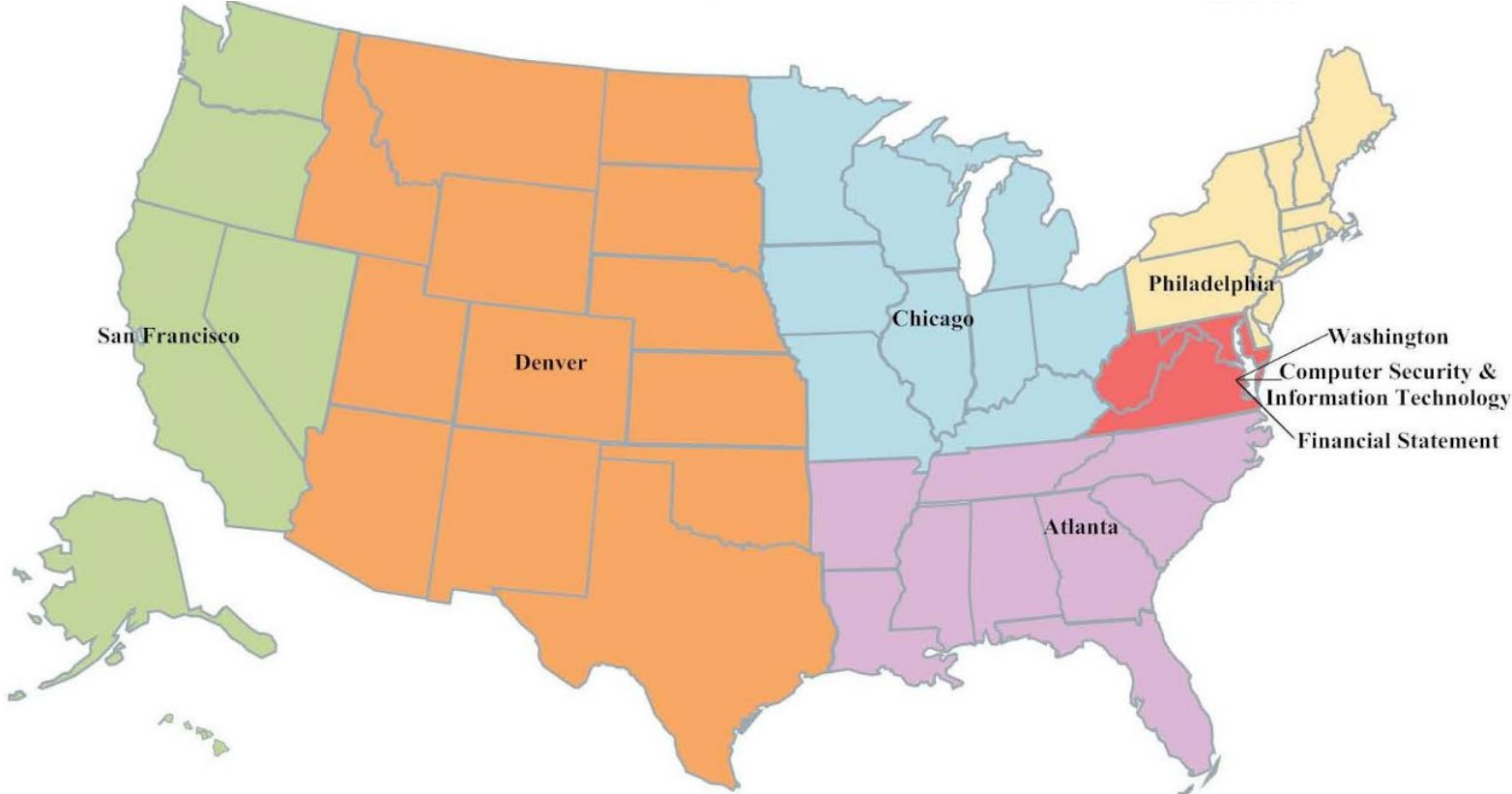


## Office of the Inspector General

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



# OIG – Audit Division’s Regional Breakdown



- San Francisco
- Denver
- Chicago
- Atlanta
- Philadelphia
- Washington

N. Mariana Islands  
American Samoa  
Guam

US Virgin Islands  
Puerto Rico



## Phases of a Grant Award Audit

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



## The Start of a Grant Award Audit

- Contact and Introduction
- Entrance Conference
- Begin audit work



## 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
  - Awarding 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.



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