



**SUFFOLK COUNTY  
OFFICE OF THE COMPTROLLER  
AUDIT DIVISION**

**John M. Kennedy, Jr.  
Comptroller**

An Audit of the  
Victims Information Bureau of Suffolk, Inc.  
For the Period  
January 1, 2015 through December 31, 2016

**Report 2017-15  
Date Issued: April 2, 2019**

**SUFFOLK COUNTY  
OFFICE OF THE COMPTROLLER**

**John M. Kennedy, Jr.**  
Comptroller

**Louis A. Necroto, CPA**  
Chief Deputy Comptroller

**Frank Bayer, CPA**  
Executive Director of Auditing Services

**Audit Staff:**

Joseph S. Pecorella, CPA, Chief Auditor  
Thomas Macholz, CPA, Investigative Auditor  
Karen Maila, CPA, Principal Auditor  
Karen Francis-Hendricks, CPA, Auditor  
Rowlin Boodram, Auditor

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**LETTER OF TRANSMITTAL**

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March 1, 2019

Reina Schiffrin, Executive Director  
Victims Information Bureau of Suffolk, Inc.  
P.O. Box 346  
Central Islip, NY 11722

Dear Ms. Schiffrin:

In accordance with the authority vested in the County Comptroller by Article V of the Suffolk County Charter, a performance audit was conducted of all programs funded by Suffolk County and provided by the Victims Information Bureau of Suffolk, Inc. (Agency) located at 185 Oval Drive, Islandia, New York during the period January 1, 2015 through December 31, 2016. The Agency's contracts were administered by the Suffolk County Department of Probation (Probation) and the Suffolk County Department of Social Services (Social Services).

The audit objectives were as follows:

- To ensure that all expenditures charged to the County-funded programs were proper program costs in accordance with contract provisions.
- To ensure that payments made to the Agency did not exceed contract budget amounts.
- To determine if the Agency complied with contract provisions and any applicable laws and regulations.

We conducted our 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.

Respectfully submitted,

Office of the County Comptroller  
Division of Auditing Services

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## SUMMARY OF SIGNIFICANT FINDINGS

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**Compliance** – As a result of our audit, we determined that the Agency over reported expenditures to the County in the amount of \$231,120 for the period January 1, 2015 through December 31, 2016 (Schedule 1, p. 15). This resulted primarily from the Agency’s lack of internal control procedures for processing expenditure claims. The following is a list of the significant audit findings:

- There were numerous inconsistencies between the percentage of hours and related salary claimed to the County and the actual hours worked on the County programs as recorded on the employee’s Time and Activity sheets for the corresponding period, resulting in a disallowance of \$108,920 (p. 7).
- Salaries reimbursed by Federal funding passed through the County were additionally claimed by the Agency as match on other Federal awards, resulting in a disallowance of \$42,476 (p. 8).
- There were several instances in which salary reimbursements paid by the County were duplicated by payments from other sources, resulting in a disallowance of \$22,768 (p. 8).
- The Agency did not perform a proper review of claim details prior to submission to the County, resulting in a disallowance of \$18,287 (p. 9).

In addition to the significant findings identified above, there were additional findings which were not deemed significant (p. 10).

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## BACKGROUND

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Victims Information Bureau of Suffolk, Inc. (Agency) is a 501(c)(3) not-for-profit organization located at 185 Oval Drive, Islandia, NY, 11749. The Agency's mission is to assist the survivors of domestic violence, rape and sexual assault, elder abuse, child sexual abuse and human trafficking; to prevent the incidence of these crimes through education and services; and to raise community awareness of the need for justice and compassion for victims.

All contracts between the Agency and the County are subawards passed through the County in which the Agency acts as a subrecipient to carry out part of a Federal award received by the County. The Agency entered into the following contracts with Social Services in 2015 and 2016:

**Domestic Violence Program (AWF1)** – A contract funded by an allocation from the New York State Office of Children and Family Services requiring the Agency to operate an on-site hotline, assist domestic violence victims using the courts and criminal justice system and to provide counseling and therapeutic playgroups to victims of domestic violence. The Agency received \$442,732 and \$460,132 in 2015 and 2016, respectively.

**Domestic Violence Liaison Program (GEK1)** – A contract requiring the Agency to determine waiver eligibility for work and child support requirements for Temporary Assistance for Needy Families (TANF) applicants if such requirements place the safety of the applicant in jeopardy. The Agency received \$20,114 and \$20,315 in 2015 and 2016, respectively.

**Temporary Assistance for Needy Families (TANF) Non-Residential Domestic Violence Program (GSG1)** – A contract funded by an allocation from the New York State Office of Children and Family Services requiring the Agency to provide core and optional non-residential domestic violence services for families, children and non-custodial parents who are at or below 200% of the Federal poverty level and otherwise meet the TANF categorical eligibility standards. The Agency received \$33,963 and \$52,520 for services rendered in 2015 and 2016, respectively.

The Agency also entered into the following contracts with Probation in 2015 and 2016:

**Sexual Assault and Domestic Violence Services Program (GDD1)** – A contract requiring the Agency to provide rape crisis counseling, outreach and advocacy services for victims of sexual assault and domestic violence. The Agency received \$106,389 and \$120,427 for services rendered in 2015 and 2016, respectively.

**HALT Program (JVU1)** – A grant awarded to the County through the United States Department of Justice’s Edward Byrne Memorial Justice Assistance Local Solicitation Grant Program. This grant requires the Agency to provide counseling services to offenders of domestic violence. The Agency received \$4,408 for services rendered in 2016.

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## SCOPE AND METHODOLOGY

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We audited expenses claimed by the Agency for the period January 1, 2015 through December 31, 2016. In order to accomplish the objectives as stated in the Letter of Transmittal (p. 1), we performed the following procedures:

- Reviewed the County contracts to determine the rules, regulations and other compliance requirements related to the audit objectives.
- Interviewed personnel from the Department of Audit & Control's Accounting Services Unit.
- Interviewed personnel from Probation and Social Services to obtain an understanding of the County programs and to determine their procedures for processing claims submitted by the Agency.
- Interviewed Agency personnel responsible for preparing monthly and annual statistical reports on program activities related to the County programs.
- Interviewed Agency personnel responsible for the authorization, processing, payment and recording of expenses claimed to the County programs.
- Obtained and reviewed the Agency's current Employee Manual.
- Reviewed Board Minutes for January 2014 through December 2016 for information relevant to the audit.
- Obtained and reviewed the Agency's Statement of Other Contracts for 2015 and 2016. Reviewed the New York State Comptroller's Open Book New York website and the Agency's Schedule of Expenditures of Federal Awards to ascertain if there were additional contracts not included on the statement.
- Obtained and reviewed the contracts and claim details for all grants on the Statement of Contracts and any additional grants we discovered to determine if the purpose of the funding was applicable to the programs contemplated in the County contracts.
- Performed testing procedures as deemed necessary for 100% of the full-time employees and a random sample of part-time employee salaries and wages reimbursed by the County.
- Performed testing procedures as deemed necessary for a random sample of other than personal service expenses reimbursed by the County.

- Verified that fringe benefit costs charged to the County programs were adequately supported and that all allocations were properly calculated in accordance with the program budgets.
- Reviewed documentation related to the Agency's compliance with specific contract provisions.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

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## AUDIT FINDINGS

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**Compliance** – As a result of our audit, we determined that the Agency over reported expenditures to the County in the amount of \$231,120 for the period January 1, 2015 through December 31, 2016 (Schedule 1, p. 15). We noted the following:

*There were numerous inconsistencies between the percentage of hours and related salary claimed to the County and the actual hours worked on the County programs as recorded on the employee's Time and Activity sheets for the corresponding period, resulting in a disallowance of \$108,920.* The Agency did not reconcile the percentage of salary claimed to the actual hours the employee charged to the program. Our audit testing revealed the following:

- The certified Time and Activity sheets associated with the reimbursed salaries indicates numerous employees **did not spend any time** working for the County program, resulting in a total disallowance of \$65,535. Program disallowance details are as follows:
  - Domestic Violence Program (AWF1) - \$23,897 and \$19,853 for 2015 and 2016, respectively.
  - Sexual Assault and Domestic Violence Program (GDD1) - \$2,567 and \$733 for 2015 and 2016, respectively.
  - Domestic Violence Liaison Services (GEK1) - \$870 for 2015.
  - TANF Non-Residential Domestic Violence Program (GSG1) - \$2,981 and \$10,921 for 2015 and 2016, respectively.
  - HALT Program (JVU1) - \$3,713 for 2016.
  
- The certified Time and Activity sheets associated with the reimbursed salaries indicates numerous employees spent a lower percentage of their time working for the County Program than the percentage of salary claimed for reimbursement, resulting in a total disallowance of \$43,385. Program disallowance details are as follows:
  - Domestic Violence Program (AWF1) - \$25,535 and \$13,739 for 2015 and 2016, respectively.
  - Sexual Assault and Domestic Violence Program (GDD1) - \$3,001 for 2015.
  - TANF Non-Residential Domestic Violence Program (GSG1) - \$1,110 for 2015.

**Recommendation:**

The Agency should reconcile the percentage of actual hours worked on the County

program to the percentage of salary claimed for reimbursement prior to submitting expenditure claims to the County.

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***Salaries reimbursed by federal funding passed through the County were additionally claimed by the Agency as matching funds on other federal awards, resulting in a disallowance of \$42,476.*** In accordance with the Code of Federal Regulations, Part 200 §200.306, matching funds should not be paid by the Federal Government under another Federal award. The Agency had no procedures in place to ensure they were in compliance with the code. Program disallowance details are as follows:

- Domestic Violence Program (AWF1) - \$11,108 and \$22,725 for 2015 and 2016, respectively.
- Sexual Assault and Domestic Violence Program (GDD1) - \$3,077 for 2015.
- TANF Non-Residential Domestic Violence Program (GSG1) - \$1,617 and \$3,949 for 2015 and 2016, respectively.

**Recommendation:**

The Agency should maintain a schedule of expenditures of federal awards (SEFA) and review the schedule prior to claiming matching funds on federal awards to ensure the expense was not reimbursed by any other federal award. In addition, the Agency should verify what portion, if any, of federal awards passed through State or local governments may be eligible for claiming as match.

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***There were several instances in which salary reimbursements paid by the County were duplicated by payments from other sources, resulting in a disallowance of \$22,768.*** The County contract requires payments not be duplicated; however, the Agency had no procedures in place to ensure they were compliant. Our audit testing revealed salary reimbursements were duplicated for the Domestic Violence Program (AWF1) in the amounts of \$3,814 and \$14,566 for 2015 and 2016, respectively, and \$4,388 for the 2015 TANF Non-Residential Domestic Violence Program.

**Recommendation:**

The Agency should create spreadsheets detailing all salary reimbursements claimed for each employee or develop other procedures to ensure payments made by the County are not duplicated from other sources.

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*The Agency did not perform a proper review of claim details prior to submission to the County, resulting in a total disallowance of \$18,287.* Our audit testing revealed the following:

- There were several instances in which the Agency could not provide any evidence that an employee worked on the County program. The Agency was unable to provide us with time and activity schedules for several employees. In addition, we were unable to interview the employees; confirmation letters which would have supported the programs the employees worked on were not returned; and our review of other time and activity logs for the employees revealed that they did not provide any services to the County program. As a result, a total of \$14,664 of reimbursed salaries was disallowed. Program disallowance details are as follows:
  - Domestic Violence Program (AWF1) - \$976 for 2015.
  - Sexual Assault and Domestic Violence Program (GDD1) - \$1,054 for 2015.
  - TANF Non-Residential Domestic Violence Program (GSG1) - \$12,634 for 2016.
- The Agency failed to return salary expenses reimbursed by the County that were credited back to the Agency by the payroll services provider. Our audit testing revealed one instance in 2016 in which the Agency's bank account was credited for a salary expense claimed to the County, resulting in a disallowance of \$1,610 for the Domestic Violence Program (AWF1).
- There were several instances in which the Agency claimed reimbursement for payroll expenses that were incurred prior to the term of the contract. Part-time employees are paid approximately two weeks after they submit their Time and Activity sheets; however, the Agency claimed reimbursement for the portion of the January payroll related to the hours worked the prior December, resulting in a total disallowance of \$2,013. Program disallowance details are as follows:
  - Domestic Violence Program (AWF1) - \$545 and \$91 for 2015 and 2016, respectively.
  - TANF Non-Residential Domestic Violence Program (GSG1) - \$1,377 for 2015.

**Recommendation:**

A quality assurance review of claims should be performed by Agency personnel before the claims are submitted to the County to ensure the accuracy and completeness of the claims. The review should include steps to ensure that claims for salary reimbursement have been properly calculated, all expenses were incurred during the grant period, and supporting documentation is complete and contains sufficient information to confirm it is a proper program cost.

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Furthermore, fringe benefit costs totaling \$26,487 were disallowed as they were associated with salaries and wages that were incorrectly charged to the County programs. Program disallowance details are as follows:

- Domestic Violence Program (AWF1) - \$11,425 and \$8,861 for 2015 and 2016, respectively.
- Sexual Assault and Domestic Violence Program (GDD1) - \$1,669 and \$56 for 2015 and 2016, respectively.
- Domestic Violence Liaison Services (GEK1) - \$67 for 2015.
- TANF Non-Residential Domestic Violence Program (GSG1) - \$878 and \$2,836 for 2015 and 2016, respectively.
- HALT Program (JVU1) - \$695 for 2016.

In addition to the significant findings identified above, our audit revealed the following:

***The Agency did not maintain adequate documentation to support expenses claimed to the County for reimbursement.*** There were several instances in which the Agency could not provide any vendor invoices or documentation to support consultant fees claimed to the County for the Sexual Assault and Domestic Violence Services Program (GDD1), resulting in disallowances of \$2,330 and \$1,400 for 2015 and 2016, respectively.

**Recommendation:**

The Agency should retain all accounts, books, records and other documents relevant to expenses claimed in accordance with contract requirements.

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***There were several instances in which the Agency failed to properly allocate a shared cost.*** The Agency erroneously claimed 100% of printing expenses to the County in 2016; however, the expenses should have been allocated to additional funding sources, resulting in a disallowance of \$7,109 for the Domestic Violence Program (AWF1).

**Recommendation:**

The Agency should ensure that all shared costs are properly allocated and the method of allocation is documented.

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***There were two instances in which the Agency did not comply with the provisions in the County contract pertaining to Furniture, Fixtures, Equipment, Materials and Supplies, resulting in a total disallowance of \$1,343.*** Our audit testing revealed:

- The County reimbursed the Agency for three laptops purchased for the Sexual Assault and Domestic Violence Services Program's (GDD1) Sexual Assault

Nurse Examiner (SANE) program in 2016; however, one laptop intended to be used at Good Samaritan Hospital is at IGHL's Manorville office due to its incompatibility with the hospital's existing network. Prior to purchasing the laptop, the Agency did not verify if it would be suitable for use in the intended location. Therefore, the \$814 cost of the computer was disallowed.

- The Agency claimed and received reimbursement for a computer for the TANF Non-Residential Domestic Violence Program (GSG1) in 2015. However, the Agency claimed the computer was no longer operable and was subsequently destroyed, but did not obtain authorization from Social Services prior to the destruction as required by the contract. Therefore, the reimbursement in the amount of \$529 was disallowed.

**Recommendation:**

The Agency should comply with all provisions contained in the County contract, including those pertaining to Furniture, Fixtures, Equipment, Materials and Supplies.

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***The Executive Director's time and attendance records were not certified by a member of the Board of Directors.*** Contract agencies that receive funding from the County must comply with the provision contained in County contracts which specifically states, "time and attendance records of a project director shall be certified by the Chairperson, President or other designated member of the Board of Directors". Our audit testing revealed that none of the Executive Director's timesheets were properly approved by a member of the Board of Directors.

**Recommendation:**

The Agency should ensure that all of the Executive Director's time and attendance records are approved by a member of the Board of Directors.

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***There were two instances in which the former Executive Director appeared to falsify employee Time and Activity sheets that we requested for the audit.*** The documents provided did not have an employee signature; however, the Executive Director signed the documents. In addition, the hours recorded on the documents did not agree to the hours recorded on the daily sign in logs or the actual hours recorded by the employees on the original time sheets which were subsequently located and reviewed. The alleged act of falsifying documents can be construed as fraud and could result in legal action.

***Monthly statistics reported to Social Services may not have been accurate.*** Our interview with the Agency's former Executive Director revealed that when the Agency was preparing the advocacy files for the audit, inaccuracies between the client case files

and the advocates' monthly statistics were discovered. Although the advocates' monthly forms could have had errors, the client case files were updated to agree to the monthly forms.

**Recommendation:**

Management should implement measures to institute a detailed code of conduct that gives specific guidance about permitted and prohibited behavior. Management should inform all employees that they will be held accountable to act within the organization's code of conduct.

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**Internal Controls** – Our audit revealed the following internal control weaknesses:

*Employee Time and Activity sheets were not always signed by the employee and properly approved by the designated supervisor.* There were numerous instances in which the Time and Activity sheets were not signed by the employee, the employee's supervisor or both. When an employee does not certify the hours worked by signing their time sheet or there is no supervisory review of the time sheets, there is an increased opportunity for errors or fraud to occur, possibly resulting in employees being over paid.

*There were several instances in which the number of hours reported on the employee's time sheet was not in agreement with the number of hours reported on the activity sheet.* Supervisors did not properly review the time sheet and activity sheet to ensure they were in agreement and that programs were not charged with more hours than the employee actually worked.

**Recommendation:**

Time and Activity sheets should always be signed by the employee and properly reviewed and signed by the employee's supervisor. The supervisor should ensure the hours recorded on the activity sheet are in agreement with the hours recorded on the time sheet.

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*There were numerous instances in which accrued leave time was not adjusted when used, was accrued at an incorrect rate or the beginning and ending balances do not agree to the balances on the Time and Activity sheets.* Supervisors or other designated employees did not perform a proper review of employee accrued leave time. Failure to maintain and properly review accrued leave time records can result in employees receiving payment for leave time to which they are not entitled.

**Recommendation:**

A proper review of accrued leave time records should be performed to ensure accrual rates are correct, any used leave time is deducted and beginning and ending balances are accurate.

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## **SCHEDULES**

Note: The accompanying schedules are an integral part of this report and should be read in conjunction with the Letter of Transmittal (p.1)

Schedule 1

Victims Information Bureau of Suffolk, Inc.  
Summary of Expenditures Over (Under) Reported  
For the Period January 1, 2015 through December 31, 2016

<u>Contract</u>	<u>Amount Over (Under) Reported</u>
2016 Domestic Violence Program (Schedule 2)	\$ 88,554
2015 Domestic Violence Program (Schedule 3)	77,300
2016 Sexual Assault and Domestic Violence Services Program (Schedule 4)	3,003
2015 Sexual Assault and Domestic Violence Services Program (Schedule 5)	13,698
2016 Domestic Violence Liaison Program (Schedule 6)	-
2015 Domestic Violence Liaison Program (Schedule 7)	937
2016 TANF Non-Residential Domestic Violence Program (Schedule 8)	30,340
2015 TANF Non-Residential Domestic Violence Program (Schedule 9)	12,880
2016 HALT Program (Schedule 10)	<u>4,408</u>
Total Amount Over Reported	<u>\$ 231,120</u>

See Notes to Schedules (p. 25)

Schedule 2

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2016 Domestic Violence Program (AWF1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(1)	Salaries & Wages	\$ 356,332	\$ 317,999	\$ 245,415	\$ 72,584
(2)	Fringe Benefits	<u>64,140</u>	<u>58,273</u>	<u>49,412</u>	<u>8,861</u>
	Total Personnel Services	420,472	376,272	294,827	81,445
(3)	Other Than Personnel Services	<u>68,973</u>	<u>65,506</u>	<u>58,397</u>	<u>7,109</u>
	Total Direct Expenditures	489,445	441,778	353,224	88,554
	Administrative Overhead	18,354	18,354	18,354	
	Total Expenditures	<u>\$ 507,799</u>	<u>\$ 460,132</u>	<u>\$ 371,578</u>	<u>\$ 88,554</u>

See Notes to Schedules (p. 25)

Schedule 3

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2015 Domestic Violence Program (AWF1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(4)	Salaries & Wages	\$ 357,157	\$ 312,779	\$ 246,904	\$ 65,875
(5)	Fringe Benefits	<u>64,288</u>	<u>58,828</u>	<u>47,403</u>	<u>11,425</u>
	Total Personnel Services	421,445	371,607	294,307	77,300
	Other Than Personnel Services	<u>91,182</u>	<u>50,617</u>	<u>50,617</u>	<u>-</u>
	Total Direct Expenditures	512,627	422,224	344,924	77,300
	Administrative Overhead	20,508	20,508	20,508	-
	Total Expenditures	<u>\$ 533,135</u>	<u>\$ 442,732</u>	<u>\$ 365,432</u>	<u>\$ 77,300</u>

See Notes to Schedules (p. 25)

Schedule 4

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2016 Sexual Assault and Domestic Violence Services Program - (GDD1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(6)	Salaries & Wages	\$ 59,936	\$ 49,239	\$ 48,506	\$ 733
(7)	Fringe Benefits	<u>5,925</u>	<u>5,498</u>	<u>5,442</u>	<u>56</u>
	Total Personnel Services	65,861	54,737	53,948	789
(8)	Contractual Services	22,454	22,165	20,765	1,400
(9)	Supplies	7,431	5,173	4,359	814
	Travel & Subsistence	460	460	460	-
	All Other Expenses	<u>34,780</u>	<u>33,508</u>	<u>33,508</u>	<u>-</u>
	Total Direct Expenditures	130,986	116,043	113,040	3,003
	Administrative Overhead	4,401	4,384	4,384	-
	Total Expenditures	<u>\$ 135,387</u>	<u>\$ 120,427</u>	<u>\$ 117,424</u>	<u>\$ 3,003</u>

See Notes to Schedules (p. 25)

Schedule 5

Victims Information Bureau of Suffolk, Inc.  
 Schedule of Budgeted, Reported and Audited Expenditures  
 2015 Sexual Assault and Domestic Violence Services Program (GDD1)  
 For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(10)	Salaries & Wages	\$ 54,697	\$ 49,430	\$ 39,731	\$ 9,699
(11)	Fringe Benefits	<u>12,152</u>	<u>5,949</u>	<u>4,280</u>	<u>1,669</u>
	Total Personnel Services	66,849	55,379	44,011	11,368
(12)	Contractual Services	17,651	10,765	8,435	2,330
	Supplies	3,642	1,261	1,261	-
	Travel & Subsistence	1,750	288	288	-
	All Other Expenses	<u>43,806</u>	<u>28,587</u>	<u>28,587</u>	<u>-</u>
	Total Direct Expenditures	133,698	96,280	82,582	13,698
	Administrative Overhead	14,036	10,109	10,109	-
	Total Expenditures	<u>\$ 147,734</u>	<u>\$ 106,389</u>	<u>\$ 92,691</u>	<u>\$ 13,698</u>

See Notes to Schedules (p. 25)

Schedule 6

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2016 Domestic Violence Liaison Program (GEK1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
	Salaries & Wages	\$ 15,377	\$ 14,156	\$ 14,156	\$ -
	Fringe Benefits	<u>2,764</u>	<u>2,764</u>	<u>2,764</u>	<u>-</u>
	Total Personnel Services	18,141	16,920	16,920	-
	Other Than Personnel Services	<u>3,362</u>	<u>2,810</u>	<u>2,810</u>	<u>-</u>
	Total Direct Expenditures	21,503	19,730	19,730	-
	Administrative Overhead	585	585	585	
	Total Expenditures	<u>\$ 22,088</u>	<u>\$ 20,315</u>	<u>\$ 20,315</u>	<u>\$ -</u>

See Notes to Schedules (p. 25)

Schedule 7

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2015 Domestic Violence Liaison Program (GEK1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(13)	Salaries & Wages	\$ 15,152	\$ 15,152	\$ 14,282	\$ 870
(14)	Fringe Benefits	<u>3,030</u>	<u>2,531</u>	<u>2,464</u>	<u>67</u>
	Total Personnel Services	18,182	17,683	16,746	937
	Other Than Personnel Services	<u>3,666</u>	<u>2,191</u>	<u>2,191</u>	<u>-</u>
	Total Direct Expenditures	21,848	19,874	18,937	937
	Administrative Overhead	240	240	240	
	Total Expenditures	<u>\$ 22,088</u>	<u>\$ 20,114</u>	<u>\$ 19,177</u>	<u>\$ 937</u>

See Notes to Schedules (p. 25)

Schedule 8

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2016 TANF Non-Residential Domestic Violence Program (GSG1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(15)	Salaries & Wages	\$ 39,076	\$ 38,107	\$ 10,603	\$ 27,504
(16)	Fringe Benefits	<u>6,643</u>	<u>6,478</u>	<u>3,642</u>	<u>2,836</u>
	Total Personnel Services	45,719	44,585	14,245	30,340
	Other Than Personnel Services	<u>8,136</u>	<u>5,242</u>	<u>5,242</u>	<u>-</u>
	Total Direct Expenditures	53,855	49,827	19,487	30,340
	Administrative Overhead	2,693	2,693	2,693	
	Total Expenditures	<u>\$ 56,548</u>	<u>\$ 52,520</u>	<u>\$ 22,180</u>	<u>\$ 30,340</u>

See Notes to Schedules (p. 25)

Schedule 9

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2015 TANF Non-Residential Domestic Violence Program (GSG1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(17)	Salaries & Wages	\$ 26,548	\$ 26,374	\$ 14,901	\$ 11,473
(18)	Fringe Benefits	<u>5,575</u>	<u>2,019</u>	<u>1,141</u>	<u>878</u>
	Total Personnel Services	32,123	28,393	16,042	12,351
(19)	Other Than Personnel Services	<u>8,648</u>	<u>3,431</u>	<u>2,902</u>	<u>529</u>
	Total Direct Expenditures	40,771	31,824	18,944	12,880
	Administrative Overhead	2,139	2,139	2,139	
	Total Expenditures	<u>\$ 42,910</u>	<u>\$ 33,963</u>	<u>\$ 21,083</u>	<u>\$ 12,880</u>

See Notes to Schedules (p. 25)

Schedule 10

Victims Information Bureau of Suffolk, Inc.  
Schedule of Budgeted, Reported and Audited Expenditures  
2016 HALT Program (JVU1)  
For the Period January 1, 2015 through December 31, 2016

<u>Notes</u>	<u>Budget Category</u>	<u>Amount Budgeted</u>	<u>Amount Reported</u>	<u>Audit Allowance</u>	<u>Amount Over (Under) Reported</u>
(20)	Salaries & Wages	\$ 3,713	\$ 3,713	\$ -	\$ 3,713
(21)	Fringe Benefits	695	695	-	695
	Total Expenditures	<u>\$ 4,408</u>	<u>\$ 4,408</u>	<u>\$ -</u>	<u>\$ 4,408</u>

See Notes to Schedules (p. 25)

Notes to Schedules

- (1) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ 19,853
Time and Activity sheet indicates the employee spent a lower percentage of time working for the County program than the percentage of salary claimed	13,739
Salaries reimbursed by Federal funding passed through the County claimed as match by the Agency	22,725
Salary reimbursements paid by the County duplicated by payments from other funding sources	14,566
Salary expenses credited back to the Agency	1,610
Salary expense incurred prior to the term of the contract	<u>91</u>
Amount Over Reported (p. 16)	\$ <u>72,584</u>

- (2) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>8,861</u>
Amount Over Reported (p. 16)	\$ <u>8,861</u>

- (3) The Agency over reported Other Than Personnel Services expenses as follows:

<u>Description</u>	<u>Amount</u>
Inequitable allocation of printing expenses to the County program	\$ <u>7,109</u>
Amount Over Reported (p. 16)	\$ <u>7,109</u>

- (4) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ 23,897
Time and Activity sheet indicates the employee spent a lower percentage of time working for the County program than	

the percentage of salary claimed	25,535
Salaries reimbursed by Federal funding passed through the County claimed as match by the Agency	11,108
Salary reimbursements paid by the County duplicated by payments from other funding sources	3,814
No evidence the employee worked on the County program	976
Expense incurred prior to the term of the contract	<u>545</u>
Amount Over Reported (p. 17)	\$ <u>65,875</u>

- (5) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>11,425</u>
Amount Over Reported (p. 17)	\$ <u>11,425</u>

- (6) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ <u>733</u>
Amount Over Reported (p. 18)	\$ <u>733</u>

- (7) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>56</u>
Amount Over Reported (p. 18)	\$ <u>56</u>

- (8) The Agency over reported Contractual Services expenses as follows:

<u>Description</u>	<u>Amount</u>
Insufficient documentation to support the amount claimed to the County	\$ <u>1,400</u>
Amount Over Reported (p. 18)	\$ <u>1,400</u>

(9) The Agency over reported Supplies expenses as follows:

<u>Description</u>	<u>Amount</u>
Equipment purchase not used for intended purpose	\$ <u>814</u>
Amount Over Reported (p. 18)	\$ <u>814</u>

(10) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ 2,567
Time and Activity sheet indicates the employee spent a lower percentage of time working for the County program than the percentage of salary claimed	3,001
Salaries reimbursed by Federal funding passed through the County claimed as match by the Agency	3,077
No evidence the employee worked on the County program	<u>1,054</u>
Amount Over Reported (p. 19)	\$ <u>9,699</u>

(11) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>1,669</u>
Amount Over Reported (p. 19)	\$ <u>1,669</u>

(12) The Agency over reported Contractual Services expenses as follows:

<u>Description</u>	<u>Amount</u>
Insufficient documentation to support the amount claimed to the County	\$ <u>2,330</u>
Amount Over Reported (p. 19)	\$ <u>2,330</u>

(13) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ <u>870</u>

Amount Over Reported (p. 21) \$ 870

(14) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>67</u>

Amount Over Reported (p. 21) \$ 67

(15) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ 10,921

Salaries reimbursed by Federal funding passed through the County claimed as match by the Agency	3,949
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No evidence the employee worked on the County program	<u>12,634</u>
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Amount Over Reported (p. 22) \$ 27,504

(16) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>2,836</u>

Amount Over Reported (p. 22) \$ 2,836

(17) The Agency over reported Salaries & Wages expenses as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ 2,981

Time and Activity sheet indicates the employee spent a lower percentage of time working for the County program than the percentage of salary claimed	1,110
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Salaries reimbursed by Federal funding passed through the County claimed as match by the Agency	1,617
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Salary reimbursements paid by the County duplicated by payments from other funding sources	4,388
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Expense incurred prior to the term of the contract	<u>1,377</u>
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Amount Over Reported (p. 23) \$ 11,473

(18) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>878</u>

Amount Over Reported (p. 23) \$ 878

(19) The Agency over reported Other Than Personnel Services expense as follows:

<u>Description</u>	<u>Amount</u>
Unauthorized destruction of equipment purchase reimbursed by the County	\$ <u>529</u>

Amount Over Reported (p. 23) \$ 529

(20) The Agency over reported Salaries & Wages expense as follows:

<u>Description</u>	<u>Amount</u>
Time and Activity sheet indicates employee did not spend any time working for the County program	\$ <u>3,713</u>

Amount Over Reported (p. 24) \$ 3,713

(21) The Agency over reported Fringe Benefit costs as follows:

<u>Description</u>	<u>Amount</u>
Fringe Benefit costs associated with disallowed salaries	\$ <u>695</u>

Amount Over Reported (p. 24) \$ 695

## APPENDIX A



March 25, 2019

**VIA OVERNIGHT MAIL**

Frank Bayer, C.P.A.  
Office of the Suffolk County Comptroller  
H. Lee Dennison Building  
100 Veterans Memorial Highway  
P.O. Box 6100  
Hauppauge, New York 11788

Re: Independent Group Home Living, Inc./  
Victims Information Bureau of Suffolk, Inc.

Dear Mr. Bayer:

Thank you for the opportunity to review and address the unofficial report of your Audit of the Victim's Information Bureau of Suffolk, Inc. ("VIBS") for the period January 1, 2015 through December 31, 2016. As you are aware, all of the facts underlying the audit period occurred before Independent Group Home Living, Inc. ("IGHL") became the sole member of VIBS.

As discussed during our audit interviews, VIBS experienced significant operational and administrative disruptions and challenges during the audit period. During this period, the Board of Directors for VIBS approached IGHL in an effort to salvage its operations and provide VIBS with comprehensive operational stability. Thereafter, the Board of Directors of VIBS approved IGHL to become the sole member of VIBS in accordance with the provisions of the Not-For-Profit Corporation Law. Coordinated with that closing, all members of the Board of Directors of VIBS voluntarily tendered their resignations. In the transfer, VIBS adopted an Amended and Restated By-Law which confirmed that IGHL is the sole member of the not-for-profit corporation, and confirmed in Article III, Subsection 2, that "...in accordance with Section 517 of the New York Not-For-Profit Corporation Law, [the member] shall not be personally liable or responsible for the debts, liabilities or obligations of the corporation." That By-Law provision mirrors the statutory language of Section 517(a) of the Not-For-Profit Corporation Law.

The findings identified and noted in the Audit Report occurred at a time when VIBS was in a transitional period and working on restructuring, building stronger leadership, and improving their policies and procedures.

The current Board of Directors, Executive Director and Finance Department were not involved with VIBS during this period and as such cannot alter substantive comments on the findings. We do understand that certain information was absent during the audit period, and we share the Comptroller's frustration with this absence. However, in some cases, the absence of part of the information should not be construed to indicate that the service was not performed or that the assigned staff did not properly complete their tasks. Nonetheless, we have reviewed the report as presented and have taken into account the recommendations as "best practices" and will implement as appropriate for the current contracts.

**Recommendation:**

The Agency should reconcile the percentage of actual hours worked on the County program to the percentage of salary claimed for reimbursement prior to submitting expenditure claims to the County.

**Agency Response:**

VIBS agrees with the recommendation and is currently matching the budget with the monthly vouchers prior to submission to ensure the percentages for the employees are correct.

**Recommendation:**

The Agency should maintain a schedule of expenditures of federal awards (SEFA) and review the schedule prior to claiming matching funds on federal awards to ensure the expense was not reimbursed by any other federal award. In addition, the Agency should verify what portion, if any, of federal awards passed through state or local governments may be eligible for claiming a match.

**Agency Response:**

VIBS agrees with this recommendation and for future contracts will obtain the correct percentages from each grant that is a federal award and generate a spreadsheet that will monitor the non-federal funding to ensure that the improper funds are not used.

**Recommendation:**

The Agency should create spreadsheets detailing all salary reimbursements claimed for each employee or develop other procedures to ensure payments made by the County are not duplicated from other sources.

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**Agency Response:**

VIBS agrees with this recommendation and currently maintains a spreadsheet that lists all the current contracts and employees to ensure that no employee's salary is duplicated on any grants.

**Recommendation:**

A quality assurance review of claims should be performed by Agency personnel before the claims are submitted to the County to ensure the accuracy and completeness of the claims. The review should include steps to ensure that claims for salary reimbursement have been properly calculated, all expenses were incurred during the grant period and supporting documentation is complete and contains sufficient information to confirm it is a proper cost.

**Agency Response:**

VIBS agrees with the recommendation and has established new procedures to ensure that we have all monthly time allocation sheets. The sheets are now maintained within the Accounting Department at the end of the year. We are also working on implementing a new Human Resources Information System (HRIS) which will include Time & Attendance System which will improve upon the record keeping and documentation.

**Recommendation:**

The Agency should retain all accounts, books, records and other documents relevant to expenses claimed in accordance with contract requirements.

**Agency Response:**

VIBS agrees with the recommendation and now all expense receipts and payments made to vendors are maintained in the Accounting Department located at 221 North Sunrise Service Rd, Manorville NY.

**Recommendation:**

The Agency should ensure that all shared costs are properly allocated and the method of allocation is documented.

**Agency Response:**

VIBS agrees with the recommendation and now all agency expenses are properly allocated by the Accounting Coordinator and is documented pursuant to each Contract.

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**Recommendation:**

The Agency should comply with all provisions contained in the County contract, including those pertaining to Furniture, Fixtures, Equipment, Materials and Supplies.

**Agency Response:**

VIBS agrees with the recommendation and is currently working on procedures that improve upon the documentation of equipment used. VIBS will also label and maintain a spreadsheet that lists all the purchases made using County Funds.

**Recommendation:**

The Agency should ensure that all of the Executive Director's time and attendance record are approved by a member of the Board of Directors.

**Agency Response:**

VIBS does not agree with this recommendation due to the timing of payroll and the ability to have a Board member approve the time on a timely and bi-monthly basis. VIBS currently has the Executive Director's time and attendance approved by the Chief Executive Officer of Independent Group Home Living Program, Inc. and Affiliates.

**Recommendation:**

Management should implement measures to institute a detailed code of conduct that gives specific guidance about permitted and prohibited behavior. Management should inform all employees that they will be held accountable to act within the organization's code of conduct.

**Agency Response:**

VIBS agrees with the recommendation. VIBS is currently working with the Human Resources team to implement and educate the VIBS staff.

**Recommendation:**

Time and Activity sheets should always be signed by the employee and properly reviewed and signed by the employee's supervisor. The supervisor should ensure the hours recorded on the activity sheet are in agreement with the hours recorded on the time sheet.

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**Agency Response:**

VIBS agrees with the recommendation and currently has all employees sign their timesheets and their supervisor and Executive Director reviews, signs and approves the employees time and activity sheets.

**Recommendation:**

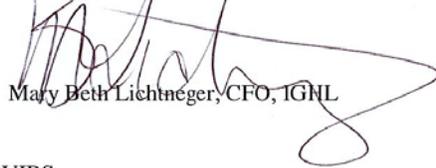
A proper review of accrued leave time records should be performed to ensure accrual rates are correct, any used leave time is deducted and beginning and ending balances are accurate.

**Agency Response:**

We agree with the recommendation and have overhauled procedures for recording and tracking accruals on timely basis. The implementation of the new HRIS will further improve and automate the recording and tracking of accrued leave time records.

Again, we thank the Comptroller for the thoroughness of this Audit and its recommendations for improvement. We trust, based on IGHL's prior exemplary conduct, that our centralized accounting and administrative functions will cure VIBS of its previous difficulties.

Respectfully yours,



Mary Beth Lichtneger, CFO, IGHL

cc: Walter Stockton, CEO, IGHL  
Reina Schiffrin, Executive Director, VIBS  
Brian T. Egan, Esq., IGHL Counsel

**APPENDIX B**

**Comptroller Office's Comments on the Agency's Response**

**Auditee: Victims Information Bureau of Suffolk, Inc.**

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The Agency submitted a written response to the audit report (Appendix A, p. 30). In its response the Agency generally agreed with the audit findings and indicated that it will take corrective action in response to our audit. Therefore, no modification of the audit report is warranted.