

OFFICE OF THE SUFFOLK COUNTY COMPTROLLER



A Performance Audit of Brighter Tomorrows, Inc.

Period Covered: January 1, 2017 through December 31, 2017

Report 2018-18

Date Issued: March 3, 2020

John M. Kennedy, Jr.

**SUFFOLK COUNTY
OFFICE OF THE COMPTROLLER**

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LETTER OF TRANSMITTAL

September 19, 2019

Brighter Tomorrows, Inc.
Dolores Kordon, Executive Director
P.O. Box 706
Shirley, NY 11967

Dear Ms. Kordon:

In accordance with the authority vested in the County Comptroller by Article V of the Suffolk County Charter, a performance audit was conducted of the 2017 agreement with Brighter Tomorrows, Inc. (Agency), located in Center Moriches, New York, to provide Non-Residential Domestic Violence Program services. The Agency's contract was administered by the Suffolk County Department of Social Services (Social Services).

The audit objectives were as follows:

- To ensure that 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 applicable laws and regulations.

We conducted our 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

BACKGROUND

Brighter Tomorrows, Inc. (Agency) is a non-profit organization located in Center Moriches, New York. The Agency is dedicated to empowering survivors of domestic violence through the provision of safe housing, supportive counseling, and bi-lingual legal advocacy services. Their programs seek to connect victims with a nurturing community while enhancing their personal safety, independence, and self-esteem.

In 2017 the Agency had agreements with the Department of Social Services, Department of Probation and the Department of Economic Development and Planning's Community Development Office. The focus of our audit is the agreement with the Department of Social Services to provide Non-Residential Domestic Violence Program services. The agreement is funded by an allocation from the New York State Office of Temporary and Disability Assistance requiring the Agency to provide hotline services; assist domestic violence victims using the courts and criminal justice systems; provide counseling for victims and their children; and to provide educational outreach activities to the community. The Agency received \$204,159 for services rendered in 2017.

SCOPE AND METHODOLOGY

We audited expenses claimed by the Agency for the period January 1, 2017 through December 31, 2017. In order to accomplish the objectives as stated in the Letter of Transmittal (p. 1), we performed the following procedures:

- Reviewed the County contract 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 Division.
- Interviewed personnel from Social Services to obtain an understanding of the County-funded 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 program.
- Interviewed Agency personnel responsible for the authorization, processing, payment and recording of expenses claimed to the County-funded programs.
- Obtained and reviewed the Agency's current employee handbook, accounting manual and month-end-close Checklist.
- Reviewed the Agency's Board of Directors meeting minutes for August 2016 through September 2018 for information relevant to the audit.
- Obtained and reviewed the Agency's Statement of Other Contracts for 2017. 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.
- Performed testing procedures as deemed necessary for a sample selection of salaries and wages reimbursed by the County. For each employee we judgmentally selected the highest paycheck and randomly selected one paycheck from each of the remaining three quarters of the year.
- 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 based on actual costs 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 results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

AUDIT FINDINGS, RECOMMENDATIONS, AND CONCLUSION

Compliance – Our audit did not disclose any significant findings; however, our audit revealed the following:

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," The Agency did not comply with this provision because they were not aware of the requirement.

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.

Internal Controls – Our audit revealed the following internal control weakness:

The Executive Director approves her own Employee Travel Expense Sheet and authorizes the check issued for the reimbursement. The Board of Directors did not exercise proper oversight over the Executive Director's activities. Without proper oversight of the Executive Director by the Board of Directors, funds may be misused or misappropriated.

Recommendation – The Executive Director's Employee Travel Expense Sheets should be reviewed and approved by a member of the Board of Directors. In addition, any reimbursement checks should not be signed by the payee on the check.

Conclusion – Our audit determined that expenditures charged to the County-funded program were proper program costs in accordance with contract provisions and payments made to the Agency did not exceed contract budget amounts.

APPENDICES

APPENDIX A



P.O. Box 706
Shirley, NY 11967
Phone: (631) 395-1800 ext. 110

Karen Maila, CPA
Principal Auditor
Office of the Suffolk County Comptroller
H. Lee Dennison Building, 9th Floor
Hauppauge, NY 11788-0099

October 16, 2019

Dear Ms. Maila,

I have received the findings from the draft audit report. Please note that we have instituted the recommendations cited in the report. A member of the Board of Directors will review all travel reimbursement forms submitted by the Executive Director. In addition, Executive Director will not sign reimbursement checks to self.

I appreciate the thoroughness of the report and your cooperation when scheduling appointments.

Please contact me if you need any further information.

Thank you.

Sincerely,

Dolores Kordon, MA
Executive Director

APPENDIX B

Comptroller Office's Comments on the Agency's Response

Auditee: Brighter Tomorrows, Inc.

The Agency submitted a written response to the audit report (Appendix A, p. 7). In its response the Agency concurred with the audit findings and has taken corrective action in response to our audit. Therefore, no modification of the audit report is warranted.

We would like to take this opportunity to thank Brighter Tomorrows, Inc. for their cooperation during our audit.