

**DOMESTIC VIOLENCE PROGRAM
STATE APPROPRIATION**

State Authorization: G.S. 50B – 9 and 161 – 11.2

North Carolina Department of Administration

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The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

I. PROGRAM OBJECTIVES

The objective is to provide funding to nonprofit organizations and government agencies to assist in the services provided to victims of domestic violence and provide community education and/or training pertaining to domestic violence.

II. PROGRAM PROCEDURES

The General Assembly appropriates funds each fiscal year for operation of the Domestic Violence Centers in operation throughout the state that offer services including counseling and advocacy for victims on a twenty-four (24) hour crisis line with call forwarding during the night, provide community education and training programs, and transportation services.

The centers are responsible to operate each center per the program guidelines provided.

III. COMPLIANCE REQUIREMENTS

1. & 2. Activities Allowed or Unallowed/Allowable Costs/Cost Principles

Program funds may be expended for costs incurred in providing direct services to victims of domestic violence through counseling, intervention, shelter, and community education programs. These functions must be performed on a continual basis. All funds must be expended as budgeted. They include staffing, training of staff and volunteers, travel,

printing, supplies, rent, utilities, communications, transportation of clients, and shelter operation costs such as food and supplies. The purchase of equipment in excess of \$300 and contracts entered into for consultant services require prior written approval by the grant administrator, Joyce Taylor. Line item transfers of \$500 or more must receive prior written approval.

Suggested Audit Procedure

Verify that funds were expended for services as defined above. Compare expenditures to approved budget per category. Assure records and all documents support expenditures.

Grant funds may not be expended for loans, mortgage payments, taxes, entertainment costs, social activities, alcoholic beverages, flowers, bad debts, fines and penalties, cost for lobbying to influence legislators to support or vote for or against legislation or appropriations on any cost/expenditure not included in the approved budget. All allowable costs are identified in one above.

Suggested Audit Procedure

Audit expenditures to assure that expenditures were not incurred for these categories as shown above.

3. Cash Management

Operating funds are to be drawn down based on expenditures. Records should reflect any interest earned and must be used as part of the operating expenses to run the program. There is not any other program income. All receipts should be deposited immediately upon receipt.

Suggested Audit Procedure

Audit requests for funds, expenditure reports, and records to assure that all receipts are recorded correctly, bank statements are reconciled, and accountability is evident.

4. Conflict of Interest

The North Carolina Council for Women will monitor the agency to assure there are no conflict of interest situations shown. The reference to conflict of interest is shown under Chapter 443, Senate Bill 352, Section 7.5 of the 1997 Session Law.

Suggested Audit Procedure

There is no procedure for the auditor to follow. The awarding agency, the North Carolina Council for Women will monitor the operation to assure that there is no conflict of interest.

5. Eligibility

Eligible participants should be those persons who have encountered a domestic violence situation either by assault or abuse. The grantee determines who qualifies for services. The North Carolina Council for Women reviews or monitors recipient records on field visits.

Suggested Audit Procedure

No testing required at the local level.

7. Matching, Level of Effort, Earmarking

Any organization receiving funds under this program must have a minimum of twenty percent match. The match may consist of types such as office space, proration of salaries, and all time allocated to the grant. Records must be maintained to identify the match portion.

Suggested Audit Procedure

Review records for match to assure there is a twenty percent match evident. Verify records of entry such as payroll and time cards to assure the match is well documented.

8. Period of Availability of State Funds

All grant funds are awarded on a fiscal year basis from July 1 to June 30 of the succeeding year. All funds must be expended or obligated to be disbursed by September 30 of that year. Any unspent funds must be refunded to the North Carolina Council for Women.

Revenues received from county governments in the form of divorce fees are collected by the North Carolina Council for Women on a monthly basis. These funds are divided equally and disbursed to the Domestic Violence Centers to assist with the operation of the centers.

Suggested Audit Procedure

Audit records of receipts and expenditures to assure that funds were in fact expended in the time allotted. Verify any unspent funds to determine if they are obligated and expended by September 30 of that period.

12. Reporting

All grantees are required to submit quarterly expenditure reports to the grant administrator, Joyce Taylor. These reports must reflect all disbursements, description of expenditure and amount for each category of expense as is shown in the grant award agreement and approved budget.

Reports must be filed by the 15th of the month following the close of the quarter. All grantees will be contacted if late by the contract administrator.

Suggested Audit Requirement

Audit records to make sure accounting records are in agreement with expenditures. Verify that they were filed by the 15th of the month after the close of the quarter.