



Contract Compliance Unit
Monitoring Report for

African American Youth Harvest Foundation

Audit & Finance Committee Meeting

September 26, 2018



Austin Public Health, Contract Compliance Unit

CCU Mission: Provide independent, objective, and reasonable assurance that APH contractors are in compliance with contract terms and conditions

Monitoring Scope

- Austin Public Health's (APH) Contract Compliance Unit's (CCU) *FY 2018 Annual Risk-Based Monitoring Plan* included on-site monitoring of African American Youth Harvest Foundation (AAYHF).
- Project scope: July 2017– June 2018.
- Directed to follow-up on potentially unallowable expenses of \$18,608 billed to APH between October –December 2016, as reported in City Auditor draft report.

Monitoring Results

- CCU verified documentation from AAYHF to determine \$18,608 of questioned costs identified by the City Auditor's Office *were allowable costs*.
- CCU identified other unallowable costs of \$8,775. Of these, \$6,337 were deemed unallowable due to insufficient documentation available for monitors to determine allowability.
- Payments, per agreement terms, are made on a reimbursement basis. Some accrued expenses were billed to APH during the review period.

Monitoring Results, cont'd

Opportunities identified for AAYHF to improve compliance and controls over:

- Completion and maintenance of employees' Forms I-9
- Protection of confidential information in employee files
- Contract labor policies and practices
- Board policies

AAYHF Management's Response

In general, AAYHF management agreed with CCU's monitoring conclusions, with the exception of costs billed for "fundraising."

- Costs for fundraising are not allowable per agreement provisions.
- Wages of approximately \$6,300 were billed to APH but classified by AAYHF as "fundraising" in the accounting system. No timesheets or other documentation were available to show what part, if any, of these costs were allowable.
- AAYHF Management indicated:
 - They would like to continue to search for documentation of allowability of at least some of these wages.
 - Due to reduction in staff caused by loss of funding during the review period, some miscoding or other errors may have occurred.

Questions?

Stephanie Hayden, Director, APH

APH Project Staff:

Stephnie Connell, CCU Manager

Larry Hopkins, Project Lead, CCU

Amber Rowland, CCU

Financial Review Assisted by:

Laura Diaz, Internal Auditor, APH