

OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE



FINAL REPORT 2024-AR-0002

KEEPING FAMILIES TOGETHER PUBLIC SERVICE GRANT FUNDING AUDIT

MATTHEW J. LASCELL
INSPECTOR GENERAL

DATE ISSUED

"Enhancing Public Trust in Government Through Independent and Responsible Oversight"

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DRAFT REPORT

Purpose

The Office of Inspector General's (OIG) Audit Unit conducted a performance audit of Family Support Services of North Florida's (FSSNF) Keeping Families Together (KFT) program. This audit aligned with the OIG's focus on scrutinizing the usage of Public Service Grant (PSG) funds. The Audit Unit addressed whether FSSNF complied with the City of Jacksonville's (COJ) contract terms and municipal ordinance requirements as well as if FSSNF produced the proposed deliverables.

Background

FSSNF is a Florida non-profit that provides community-based services to at-risk children and their families. These services include family preservation, out-of-home care, post-placement, independent living, and adoption services. The KFT program focuses on housing and wrap-around services like rental, household items, utility, and food assistance.

During Fiscal Year 2023, COJ's PSG program provided dozens of non-profits with approximately 6 million dollars of grant funding. The PSG program was designed to finance non-profit programs serving the "most vulnerable persons and needs".¹ Local non-profits apply to receive this money annually, and the Division of Grants and Contract Compliance monitors the recipients.

For Fiscal Year 2023, FSSNF was awarded \$426,206 spread across three programs. KFT received \$149,921 of the allotted funds. FSSNF entered into the KFT contract with COJ on October 1, 2022. In addition to the PSG funding, KFT received (a majority of) funding from other sources: DCF (\$995,834), United Way (\$365,258), and Changing Homelessness (\$90,000).

Statement of Objectives, Scope, and Methodology

This audit's objectives are:

- (1) Determine if FSSNF timely provided proper documentation to support reimbursements;

¹ Jacksonville Municipal Code, § 118.804

- (2) Determine if there were any unallowable reimbursements requested or received; and
- (3) Determine if FSSNF adhered to the COJ contract terms.

The Audit Unit reviewed the KFT program during Fiscal Year 2023 (October 1, 2022, to September 30, 2023). The Audit Unit interviewed FSSNF and COJ staff and reviewed various documents from both entities. These interviews and documents were compared to the requirements of the COJ Contract and local law.

Statement of Auditing Standards

This audit conformed with the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors. The standards require the OIG to plan and perform the audit to obtain sufficient, reliable, relevant, and useful information to support the engagement results and conclusions based on the stated audit objectives. This audit was also conducted according to the Jacksonville City Charter Section 1.203(c) and Jacksonville Municipal Code Section 602.303(a-c)

Findings and Recommendations

OBJECTIVE 1: Did FSSNF timely provide proper documentation to support reimbursements?

The Audit Unit reviewed documentation submitted by FSSNF and the payment records provided by COJ. During the grant term, FSSNF provided proper documentation to support its requested reimbursements, but these submissions were not timely.

Finding 1

Each submission complied with the COJ Contract requiring “accounting backup” by including receipts, invoices, emails, and checks.² However, while the submissions were complete, they were submitted late. The COJ Contract requires the requests to be made by the 15th of the month following the service month.³ All but one reimbursement request were submitted late.

² City Contract 653224-23, V(A)

³ City Contract 653224-23, V(A)

Table 1
Monthly Reimbursement Request Submissions⁴

Service Month	Date Due	Date Provided	Days Late
Oct. 22	11/15/22	04/17/2023	153
Nov. 22	12/15/22	04/17/2023	123
Dec. 22	01/15/23	04/17/2023	92
Jan. 23	02/15/23	04/17/2023	61
Feb. 23	03/15/23	04/17/2023	33
March 23	04/15/23	04/18/2023	3
April 23	05/15/23	06/01/2023	17
May 23	06/15/23	07/28/2023	43
June 23	07/15/23	08/11/2023	27
July 23	08/15/23	08/18/2023	3
Aug. 23	09/15/23	10/04/2023	19
Sept. 23	10/06/23	10/06/2023	0

These late submissions did not result in premature or incorrect reimbursements but were contrary to the contract terms.

Recommendation 1

The management of the KTF program should enact additional internal controls to ensure that reimbursement requests are submitted on time. This will ensure prompt reimbursements, so services are not disrupted.

Response to Objective 1

Agree ☒ Disagree ☐ Partially Agree ☐ Response Not Required ☐

OBJECTIVE 2: Did FSSNF request or were they reimbursed for any unallowable expenses?

There were no unallowable expenses requested or reimbursed. The Audit Unit reviewed the submitted materials and confirmed they complied with the contract terms and local law.

⁴ Workpaper 1

Response Objective 2

Agree ☒ Disagree ☐ Partially Agree ☐ Response Not Required ☐

OBJECTIVE 3: Did FSSNF adhere to the COJ Contract terms?

The Audit Unit reviewed the COJ contract and verified compliance with FSSNF and COJ through records and interviews. The Audit Unit found that FSSNF ultimately provided all items and services contractually required, however, several items were submitted late. Most of the contract requirements were adhered to timely including insurance, training, and employment requirements.

Finding 2

FSSNF submitted the program audit, monthly finance reports, and quarterly reports late. The COJ Contract requires that FSSNF submit Monthly Financial Reports by the 15th of each month for the previous month, except the last month when the report is due on the sixth.⁵ On average these reports were submitted 96 days late.⁶

Table 2

Monthly Financial Report Submissions⁷

Month	Date Required	Date Submitted	Days Late
Oct. 22	11/15/2022	05/17/2023	183
Nov. 22	12/15/2022	05/17/2023	153
Dec. 22	01/15/2023	07/03/2023	169
Jan. 23	02/15/2023	07/31/2023	166
Feb. 23	03/15/2023	08/01/2023	139
March 23	04/15/2023	08/02/2023	109
April 23	05/15/2023	08/02/2023	79
May 23	06/15/2023	08/04/2023	50
June 23	07/15/2023	08/14/2023	30
July 23	08/15/2023	10/06/2023	52
Aug. 23	09/15/2023	10/06/2023	21
Sept. 23	10/06/2023	10/09/2023	3

⁵ City Contract 653224-23, V(A)

⁶ Workpaper 2

⁷ Workpaper 2

The COJ Contract also requires Quarterly Reports to be submitted on January 16, April 17, July 17, and October 6.⁸ The Quarterly Reports were submitted late three out of four times.

Table 3

Quarterly Narrative Progress Report Submissions⁹

Quarter	Date Required	Date Submitted	Days Late
Q1	01/16/2023	02/20/2023	35 days
Q2	04/17/2023	07/31/2023	105 days
Q3	07/17/2023	07/17/2023	0 days
Q4	10/06/2023	10/16/2023	10 days

Finally, the COJ Contract calls for FSSNF to submit an audit by October 28, 2023.¹⁰ FSSNF initially submitted the audit on March 12, 2024. This was 136 days late.¹¹ FSSNF stated that the audit was late because it could not be completed without DCF information. DCF provided FSSNF with the information after the audit due date, therefore the single audit was submitted late to COJ.

Recommendation 1

The management of the KTF program should enact additional internal controls to ensure that the Monthly Financial Reports and Quarterly Narrative Progress Reports are submitted on time. For the end-of-year audit, FSSNF should discuss the timing issues with DCF and COJ to ensure FSSNF is not out of compliance due to circumstances beyond their control.

Response to Objective 3

Agree ☒ Disagree ☐ Partially Agree ☐ Response Not Required ☐

Conclusion

FSSNF ultimately complied with all COJ Contract terms and provided the services promised. FSSNF was not timely in their submissions for reimbursement, however this did not result in any improper reimbursements. While this non-compliance may

⁸ City Contract 653224-23, VII(B)

⁹ Workpaper 2

¹⁰ City Contract 653224-23, II(B)(6)(iv) states that a single independent audit of the Program is required within 120 days of the close of the Recipient's fiscal year for Recipients receiving between \$100,000 and \$500,000.

¹¹ The initial audit had to be edited, so it was not ultimately accepted by DGCC until May 7, 2024.

affect FSSNF's ability to provide its program services, the audit did not find a negative impact on COJ.

Management's Response

On June 26, 2024, Family Support Services of North Florida was provided a copy of this audit and given an opportunity to respond on or before July 10, 2024.

The signature below acknowledges receipt and review by the Family Support Services of North Florida:

☒ Acknowledged with no Response

☐ Acknowledged with Response

Brian Zaletel

6/27/2024

Brian Zaletel

Date

Chief Financial Officer

1300 Riverplace Blvd., Suite 700

Jacksonville, FL 32202