

CITY OF MILWAUKEE

# Audit of the Office of Violence Prevention

October 2024

Internal Audit

# Agenda

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Finding #1 - Payments

Finding #2 - Budget Monitoring

Finding #3 - Performance Monitoring

Finding #4 - Cost Reports

Finding #5 - Sponsorships

Finding #6 - Policies & Procedures

# Scope & Objectives

## Scope

The scope included Office of Violence Prevention (OVP) programs from January 1, 2023, through December 31, 2023.

Please note the following:

- In 2023, OVP was under MHD
  - They are now under DOA
- OVP is now known as the Office of Community Wellness and Safety

## Objectives

To review and evaluate the following:

- The controls and performance of the OVP programs, recipients, and sub-recipients
- The controls and processes on the usage of OVP funds

# Audit Procedures

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Process  
Walkthroughs

Inspection of  
Relevant  
Control  
Documentation

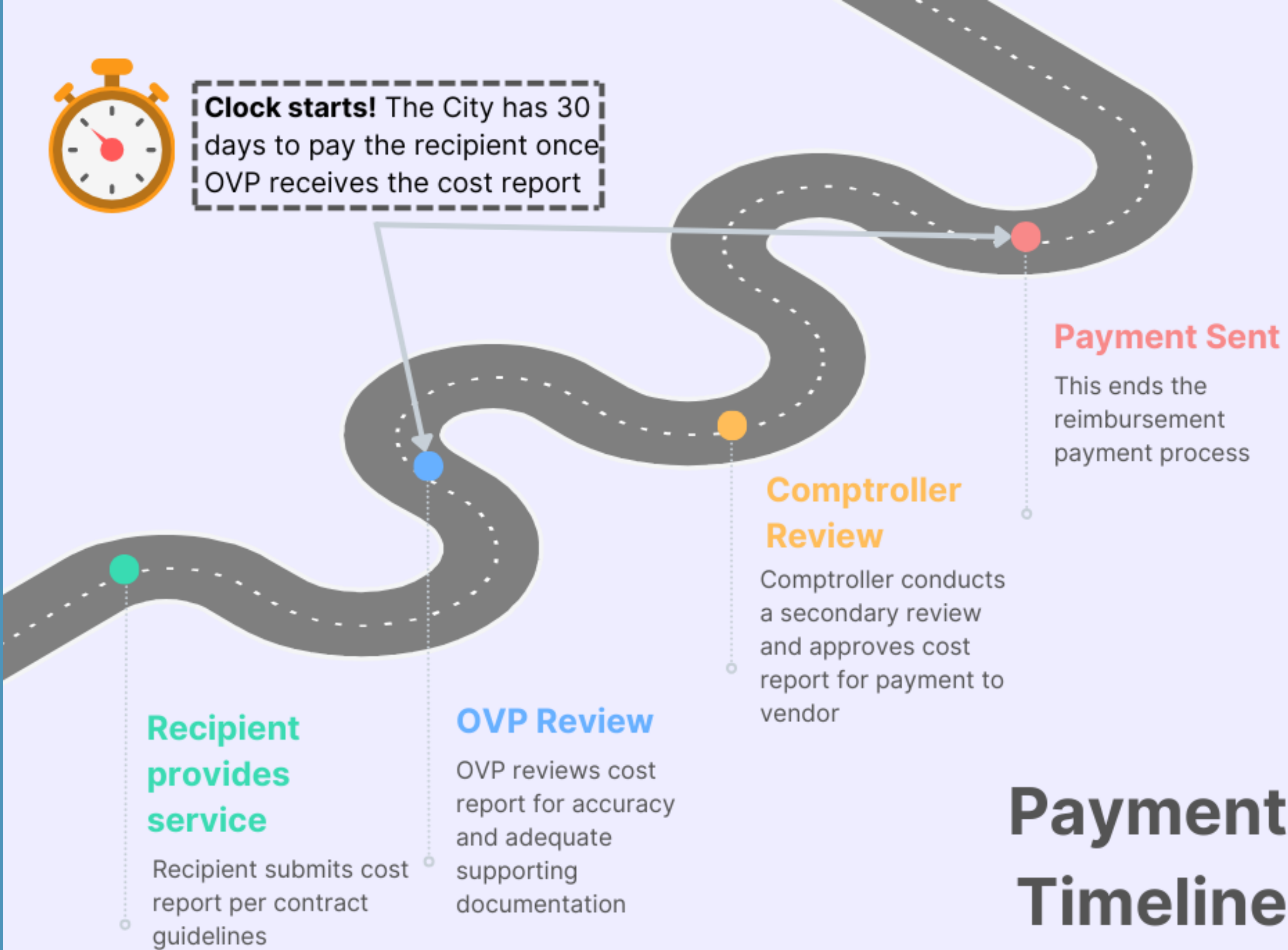
Testing of  
Controls

# Audit Conclusion

The audit concluded the controls in place over the Office of Violence Prevention's programs, recipients, and sub-recipients were not adequately designed and were not operating effectively.



**Clock starts!** The City has 30 days to pay the recipient once OVP receives the cost report



# Payment Timeline

# Finding #1 - Payments

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## Finding

21 out of 30 selected vouchers were processed after 30 days

## Risk

Delayed processing of payments can damage relationships with recipients and could result in the City paying late fees.

### Risk Rating

Medium

## Recommendation

OVP should create a procedure for processing of payments. Additionally, OVP should train recipients on what supporting documentation is needed to be submitted with their cost reports to avoid delay of reimbursement.

# Finding #2 - Budget Monitoring

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## Finding

OVP did not monitor their available balance of grants, donations, and awards on a regular basis

## Risk

Lack of monitoring of grants budget could lead to overspending on projects and non-compliance with American Rescue Plan Act (ARPA) quarterly reporting requirements.

## Risk Rating

Medium

## Recommendation

OVP should create a procedure and continually monitor the balance of OVP grants' budget.



# Finding #3 - Performance Monitoring

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## Finding

OVP management did not retain documented key performance indicator worksheets from recipients and sub-recipients.

## Risk

Reporting inconsistencies and lack of detailed information may lead to inaccurate reporting figures that could result in the loss of public trust and loss of federal and state funding.

## Risk Rating

Medium

## Recommendation

OVP management should retain all performance indicator worksheets and supporting documentation received by sub-recipients in accordance with the Program Schedule I of the MOU and the recipient/sub-recipients contracts.

# Finding #4 - Cost Reports

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## Finding

Four out of 10 recipients did not provide cost reports by their contractual deadline.

## Risk

A delay in receiving the cost report could lead to a delay in recipient reimbursement.

## Risk Rating

Low

## Recommendation

OVP should create a tracking process to monitor the required frequency of recipients' cost reports for reimbursement.

# Finding #5 - Sponsorships

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## Finding

Sponsorship agreements were not provided for the nine total sponsored events that took place during 2023.

## Risk

The lack of sponsorship validation may increase the risk of OVP sponsoring events that are not aligned with their mission and/or goals

## Risk Rating

Low

## Recommendation

OVP should document a Sponsorship policy and procedures to include verification and approval of sponsorships. OVP should retain all sponsorship agreements and all verification documents including sponsorship approval.

# Finding #6 - Policies & Procedures

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## Finding

OVP did not have a comprehensive policy that contained internal controls, processes, roles, and responsibilities.

## Risk

Lack of comprehensive policies and procedures may cause a weak control environment.

## Risk Rating

Low

## Recommendation

OVP management should update the current Policy and Procedure Manual to contain detailed information regarding internal controls, processes, roles, and responsibilities for project evaluation, monitoring, and reporting

# Thank you

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