

**AUDIT REPORT**

**Project MORE, Inc.**

**January 1, 2010 – December 31, 2010**

## Table of Contents

Comptroller's Summary .....	3
Background/Organization .....	3
Audit Scope, Objective and Methodology .....	3
Summary of Findings .....	3
Detailed Findings.....	4
Contract Funding .....	4
Review of Selected Expenditures .....	4
Personnel .....	4
Equipment.....	5
Supplies .....	5
Vehicles.....	5
Review of Selected Revenue.....	6
Program Outcomes.....	6

# Comptroller's Summary

## ***Background/Organization***

Project MORE, Inc. is a not for profit corporation located in New Haven, Connecticut. The Dutchess County Department of Probation and Community Corrections contracted with Project MORE, Inc. to provide a transitional housing alternative to jail for substance abuse offenders in need of housing while attending and/or awaiting treatment.

Project MORE collaborates with the Intensive Treatment Alternative Program (ITAP), Lexington Center for Recovery and St. Francis Turning Point for intensive outpatient treatment.

## ***Audit Scope, Objective and Methodology***

An audit was conducted for the period of January 1, 2010 – December 31, 2010. The Probation Department had two contracts, during the audit period, totaling \$1,225,813.47 as follows:

<u>Contract #</u>	<u>Program</u>	<u>Period</u>	<u>Funding</u>
07-0029-12/07-PR A3	Transitional Housing	1/1/10–6/30/10	\$ 618,911.50
10-0374-12/10-PR A1	Transitional Housing	7/1/10–12/31/10	606,901.97
		Total	\$ 1,225,813.47

These contracts are 100% county funded. The Transitional Housing Program is expense driven. Claims are submitted to Probation for reimbursement. A total of 38 co-ed beds are provided for utilization by offenders.

Our review included:

- Agency processes for the payment of expenses claimed to the county.
- Selected expenses: salary, vehicle expenses, inventory purchases
- Agency inventory listings
- Program outcome statistics

Since Project More's administrative and fiscal offices are located in New Haven, Connecticut our review of the agency's internal controls and original documentation was limited.

## ***Summary of Findings***

Financial records and agency processes were found to be in good order. Inventory processes could be strengthened.

## Detailed Findings

### ***Contract Funding***

**Contract# 07-0029 A3**—was written in the amount of \$618,911.50 for the period of January 1, 2010 – June 30, 2010 and **Contract# 10-0374 A1**—was written in the amount of \$606,901.97 for the period of July 1, 2010 – December 31, 2010.

	Contract# 07-0029-A3		Contract# 10-0374-A1	
	<u>Budget</u>	<u>Total Claimed &amp; Paid</u>	<u>Budget</u>	<u>Total Claimed &amp; Paid</u>
Personnel Services				
Total Salaries	\$296,546.70	\$287,126.31	\$293,096.50	\$281,255.39
Fringe Benefits	108,832.64	105,375.35	108,445.71	103,220.72
Total Personnel Other Than Personnel Svcs	\$405,379.34	\$392,501.66	\$401,542.21	\$384,476.11
Travel	\$ 1,000.00	\$ 1,051.19	\$ 1,250.00	\$ 1,549.13
Equipment	6,000.00	10,727.85	6,000.00	2,610.00
Supplies	54,149.23	66,813.09	49,681.50	69,387.06
Contractual	4,700.00	2,783.55	1,600.00	
Facilities	41,800.00	38,404.54	38,000.00	40,192.27
Other	20,300.00	22,290.30	16,250.00	22,212.12
Total OTPS	\$127,949.23	\$142,070.52	\$112,781.50	\$135,950.58
Indirect Cost	\$ 85,582.93	\$ 84,339.32	\$ 92,578.27	\$ 86,475.27
Total Expenses	\$618,911.50	\$618,911.50	\$606,901.98	\$606,901.96
Total Paid		\$618,910.61		\$606,901.97

#### ***Observation:***

- *In the previous audit it was noted formal contract budget modifications were not consistently submitted for approval to reflect changes for expenditure categories. The agency indicated a budget amendment was prepared in November 2010; it was too late for 2010 adjustments. Budget modifications did occur in 2011.*

### ***Review of Selected Expenditures***

#### **Personnel**

Project MORE claimed a total of \$776,977.77 in salary and fringe. Salaries claimed totaling \$568,381.70 were compared to employee W-2s. No exceptions were noted.

## **Equipment**

A total of \$13,337.85 was claimed for equipment in 2010. A physical inventory of selected equipment including computers and appliances was conducted.

### **Finding**

- Some equipment examined did not match the item detail listed on the inventory listing provided by the agency.

### **Recommendation**

- An agency inventory should be completed and the inventory listing updated as changes occur.

*\*As of the writing of this report an updated inventory listing has been provided.*

## **Supplies**

A selection of purchases for program, facility and related supplies were reviewed. Receipts were traced to claims.

### **Findings**

- No discrepancies were noted.

## **Vehicles**

The agency has a total of four vehicles that are used in Dutchess County to transport clients to doctor appointments, Social Services, court dates, and educational programs. Three of the vehicles were purchased with funding from Dutchess County and the fourth was funded directly by New York State. Two vehicles were purchased in 2007 and the third vehicle was purchased in April 2011 to replace a 2007 vehicle that was totaled. All three County funded vehicle VINs were compared to the VINs on the inventory listing.

Each van has a backpack assigned which contains a mileage log, gas credit card, cell phone, first aid kit, insurance card, vehicle registration and keys.

### **Findings**

- Credit card purchases for gas were reviewed. No discrepancies were noted.
- One vehicle purchased in 2007 did not have the VIN number on the inventory listing.

### **Recommendation**

- All germane information should be complete and included on the inventory listing.

### ***Review of Selected Revenue***

The agency received an additional grant from the New York State Division of Criminal Justice which was used to offset expenses. A total of \$161,210 was reported as received on the agency's CHAR500 report.

### ***Program Outcomes***

**Transitional Housing** During 2010, Project MORE's Transitional Housing served a total of 218 clients. The number of clients reported successfully discharged into Treatment Programs was 154 with 30 remaining in the program at the close of the year.