

August 28, 2023

Executive Office  
Tribal Council  
The Eastern Band of Cherokee Indians  
Cherokee, NC

We conducted an internal control review of the Family Safety Program in accordance with the FY23 annual audit plan.

An internal control review is designed to assess the control structure and business risk of the program. The review is intended to be used as a tool to determine effectiveness of controls, compliance, and if improvement is needed.

Overall, Family Safety's internal controls need improvement. Our office identified 3 observations. The details of these observations along with recommendations can be found in the attached report. Management's response is included as an attachment as well.

The assistance of the Family Safety Program staff is appreciated. Please do not hesitate to contact our office with questions.

Sincerely,



Sharon Blankenship, CIA, CGAP, CFE, LPEC  
Chief Audit and Ethics Executive

cc: Lori Lambert, Audit and Ethics Committee Chair  
Brandy Davis, Interim Secretary of Public Health and Human Services  
Jenna Wiggins, Human Services Director  
Richelle Jenkins, Family Safety Manager

# Family Safety

Child & Adult Protective Services



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**FAMILY SAFETY  
PUBLIC HEALTH & HUMAN SERVICES  
INTERNAL CONTROL REVIEW (23-012)**

August 28, 2023

## EASTERN BAND OF CHEROKEE INDIANS



OFFICE OF INTERNAL AUDIT AND ETHICS

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# HIGHLIGHTS

## Why We Did This Audit

The Family Safety program was identified for audit on the FY23 annual audit plan. The overall goal of this audit was to assess the program's control structure and business risk to determine if improvement is needed.

## What We Found and Recommend

The Family Safety programs' internal controls need improvement. There were 3 observations identified, and recommendations made to address the control weaknesses.

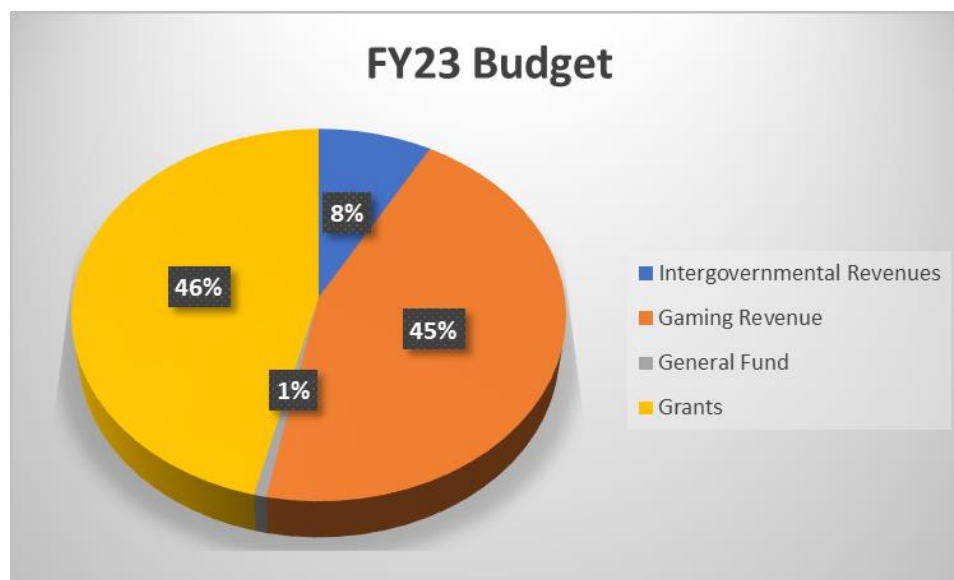
Observations	RECOMMENDATION
Travel is paid from the wrong line.	Document actual travel distance and train staff to ensure compliance with the Tribal Fiscal Management Policy.
A traveler was paid twice for the same trip.	Thoroughly review travel requests and ensure that reconciliations are properly completed to avoid overpayment. Traveler must repay the Tribe for the overpayment.
The payment of financial assistance is not efficient.	Consult with the Office of Budget & Finance to create a more efficient process for payment of the subsidy.

The details of these observations and recommendations can be found beginning on page 4 of this report. Management's response, in which they concur with the observations and agree to implement the recommendations, is included as an attachment.

## BACKGROUND

Created by Cherokee Code chapter 7B the Family Safety program began operations in October 2015 as part of the Division of Public Health and Human Services. The Family Safety program provides services to children and families to protect their safety and keep families intact and functioning to the highest level possible. The Family Safety program is made up of Child Protective Services, Foster Care, and Adult Protective Services.

For FY23, Family Safety is operating on a revised budget of \$6,647,857, as seen in the chart below. The Family Safety program has a total of 41 positions, including 25 social workers, 3 case aides, 4 supervisory social workers, and administrative staff.



## OBJECTIVES & SCOPE

The audit objectives were to obtain an understanding of key fiscal processes within the program, to evaluate the adequacy of internal controls and to identify opportunities for process improvements.

The scope of the audit included a review of the program's financial and operational information for the period 10/1/20-5/12/23.

# AUDIT CONCLUSIONS

Internal controls need improvement. The following observations were identified:

1. Travel is paid from the wrong line.
2. A traveler was paid twice for the same trip.
3. The payment of financial assistance is not efficient.

The details of these observations are on the following pages. The cooperation and assistance of the Family Safety program staff is acknowledged and appreciated.

# FINDINGS AND RECOMMENDATIONS

## 1. Travel is paid from the wrong line.

Travel outside of the local area is being charged to the wrong line item. Per Sec.500(8) of the Tribal Fiscal Management Policy, local travel is same day travel outside a 50-mile radius but less than 100 miles. Management is not ensuring travel is being paid out of the correct line, which may be out of compliance with grant scope and could result in repayment or loss of grant funds.

It is recommended that management document actual travel distance to ensure accuracy of travel requests and train staff to ensure compliance to the Tribal Fiscal Management Policy when coding travel.

## 2. A traveler was paid twice for the same trip.

Family Safety staff must travel often for home visits and visits with the children in their custody. A traveler was paid twice for the same trip, resulting in a \$269.03 overpayment to the traveler. The traveler received a travel advance but did not include it on the travel reconciliation. Sec.500(9) the Tribal Fiscal Management Policy states the traveler has five days after returning from travel to complete and submit the Travel Reconciliation Form along with all supporting receipts/documentation. Management allowed the traveler to receive an advance and a reimbursement for the same trip.

It is recommended that management thoroughly review travel requests and ensure that reconciliations are properly completed to avoid overpayment. Furthermore, management must also ensure the traveler repays the Tribe for the overpayment.


## 3. The payment of financial assistance is not efficient.

The program provides financial support to qualified caregivers for the children in their care. Family Safety is inconsistently processing financial assistance payments through the purchase order process. Some are processed using a purchase order for each invoice, others with an open purchase order for the caregiver. The process for financial assistance payments should be consistent. Management is processing financial assistance payments inconsistently causing inefficiencies and potential financial burdens.

It is recommended management consult with the Office of Budget and Finance to create a more efficient process for the payment of financial assistance to the caregivers.

## MEMORANDUM

**TO:** Executive  
Tribal Council

**FROM:** Sharon Blankenship, Chief Audit and Ethics Executive 

**CC:** Lori Lambert, Audit and Ethics Committee Vice Chair  
Brandy Davis, Interim Secretary of Public Health and Human Services  
Jenna Wiggins, Human Services Director  
Richelle Jenkins, Family Safety Manager

**DATE:** August 28, 2023

**RE:** Responses to Report 23-012 – Family Safety Audit Report

The 3 observations and recommendations identified in the Family Safety audit report 23-012 were distributed to the program and responses prepared. The responses as provided are stated below. The original response forms are on file with our office.

**1. Travel is paid from the wrong line.**

**Response: Agree, Target implementation 10/1/23**

Respondent narrative: "Richelle will ensure that travel is paid out of the correct line going forward as to not jeopardize any loss of funding"

**2. A traveler was paid twice for the same trip.**

**Response: Agree, Target implementation 8/23/23**

Respondent narrative: "Ensure travel reconciliations are correct before submitting to finance."

**3. The payment of financial assistance is not efficient.**

**Response: Agree, Target implementation 10/1/23**

Respondent narrative: "FSP will work with Finance (Purchasing) to establish best practices that align with the Fiscal management policy to ensure all payments are submitted timely and accurately."