OFFICE OF INTERNAL AUDIT AND ETHICS

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June 3, 2025

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

We conducted an internal control review of the Domestic Violence and Sexual Assault program in accordance with the FY25 annual audit plan.

An internal control review is designed to assess the effectiveness of controls, and if improvement is needed.

There are opportunities for improvement in the Domestic Violence and Sexual Assault program's internal controls. We identified 3 observations. The details can be found in the attached report. Management's response is included as an attachment.

The assistance of the Domestic Violence and Sexual Assault program's 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
Sonya Wachacha, Secretary of Public Health and Human Services
Anita Lossiah, Human Services Director
Billie Jo Rich, Domestic Violence and Sexual Assault Manager

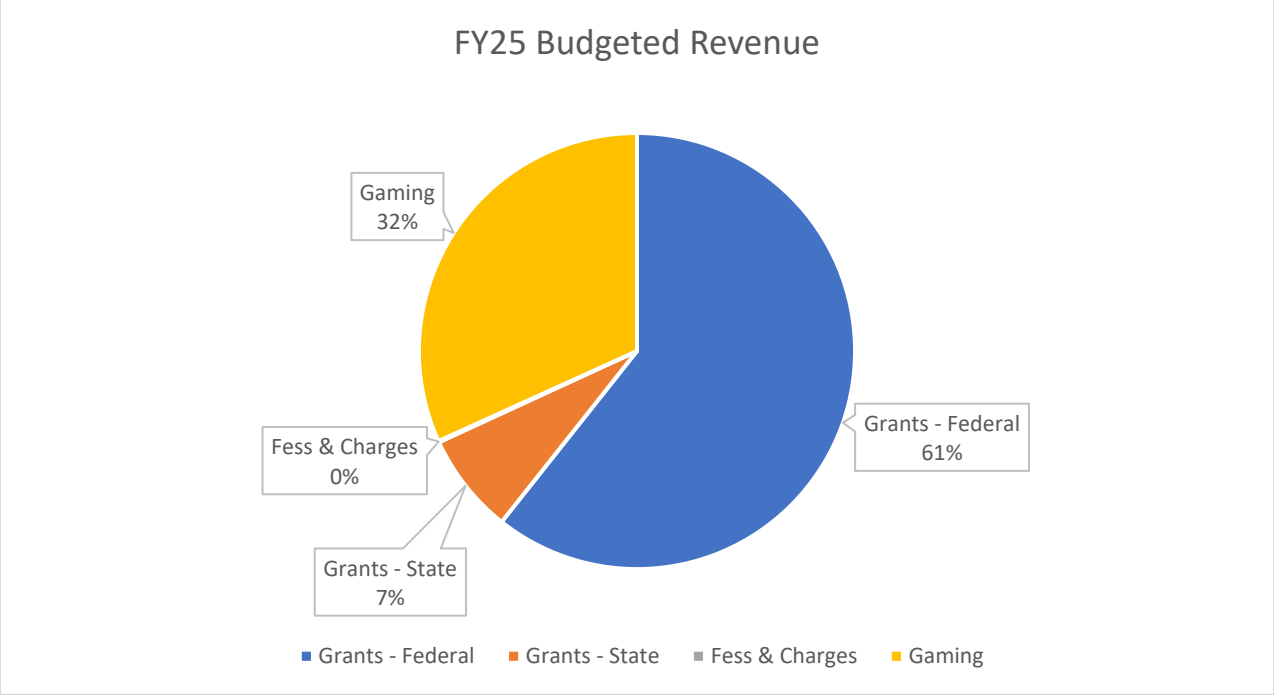
OFFICE OF INTERNAL AUDIT AND ETHICS

Domestic Violence & Sexual Assault Program
Public Health & Human Services
Internal Control (25-006)
June 3, 2025

BACKGROUND

The mission of the Domestic Violence and Sexual Assault Program is to provide direct client services to victims of domestic violence, sexual assault, dating violence, stalking, and human trafficking, as well as community awareness and prevention education.

The program is located in the Public Health and Human Services Division as part of Health and Human Services. For FY25 the operating budget is $2,145,640, with funding from a combination of Federal and State grants, gaming, and fees collected by the courts. A breakdown of this funding can be seen in the chart below.



OBJECTIVES & SCOPE

The audit objectives were to obtain an understanding of key 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 financial and operational information for the period October 1, 2022 – February 5, 2025.

CONCLUSION

There are opportunities for improvement in the Domestic Violence and Sexual Assault program's internal controls. The following issues were identified:

1. Security measures are not sufficient.
2. Procurement practices need improvement.
3. Standard operating procedures could be more comprehensive.

The details of these observations are on the following pages. The cooperation and assistance of the Domestic Violence and Sexual Assault program staff is acknowledged and appreciated.

OBSERVATIONS AND RECOMMENDATIONS

1. **Security measures are not sufficient.**

   There are three Tribal employees with key card access who are not program employees. There were also security concerns including many camera obstructions and a door being left open. The Domestic Violence and Sexual Assault program must protect the safety of its clients and staff. Unauthorized building access, obstructed camera views, and leaving exterior doors open increases the chances of harm to clients and staff.

   It is recommended that management remove the camera obstructions and ensure that all camera angles are appropriate to optimize camera coverage. Key card access to the building should be reviewed with the Health and Human Services Director. Lastly, employees and clients should receive regular safety training to ensure that security measures are understood and followed.

2. **Procurement practices need improvement.**

   Of the purchases tested 18 of 20 (90%) did not have a purchase order created prior to the invoice date. Additionally, three purchases appear to be contractual in nature. The Fiscal Management Policy Section 400 dictates the procurement process. Management is allowing procurement out of compliance with the Fiscal Management Policy which increases the risk of fraud, waste, and abuse.

   It is recommended that management educate staff on the procurement process and ensure that program purchases follow the procurement process per the Fiscal Management Policy.

3. **Standard operating procedures could be more comprehensive.**

   Standard operating procedures (SOPs) cover the operations of the program for client services. There are no SOPs addressing administrative functions, emergency procedures, and staff training. Standard operating procedures help employees by providing instructions on how to carry out any given process. Management has not developed comprehensive standard operating procedures. A lack of comprehensive standard operating procedures can increase the risk of ineffective and inefficient processes and operations.

   It is recommended that management develop comprehensive SOP or internal procedures that provide direction and fill the gaps in the current procedures.

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MEMORANDUM

TO: Executive
Tribal Council

FROM: Sharon Blankenship, Chief Audit and Ethics Executive

CC: Lori Lambert, Audit and Ethics Committee Chair
Sonya Wachacha, Secretary of Public Health and Human Services
Anita Lossiah, Human Services Director
Billie Jo Rich, Domestic Violence and Sexual Assault Manager

DATE: June 3, 2025

RE: Responses to Report 25-006 – Domestic Violence Audit Report

The 3 observations and recommendations identified in the Domestic Violence audit report 25-006 were sent to the program for a response. The responses provided are stated below. The original response forms are on file with this office.

1. **Security measures are not sufficient.**

   Response: Agree, Target implementation 7/18/25

   Respondent narrative: "**1)** Camera obstructions have been removed to improve visibility at Ernestine Walkingstick Shelter (EWS). Tall trees and shrubs have been cut away from the cameras, improving both visibility for staff and camera range.
   2) Key card access has been reviewed with Director to ensure any unauthorized persons will not have access. The door code for resident entry door is changed every time a client/resident moves out to prevent further unauthorized access into the building.
   3) Safety training will be arranged with M. Hernandez at PHHS and/or CIPD. A current safety and evacuation plan will be developed with M. Hernandez and/or CIPD and Cherokee Fire Department. This plan will be provided to staff and EWS residents and reviewed quarterly by staff and residents.
   4) Completion of the training and receipt of policy will be documented in a Training Log at EWS maintained by the Program Manager."

2. **Procurement practices need improvement.**
   Response: Agree, Target implementation 7/18/25

   Respondent narrative: "**1)** Training to be provided to all staff on proper purchasing process in alignment with EBCI fiscal management policy. This training will be provided by EBCI Finance staff, PHHS staff, or TERO Training Center. Upon completion by DV Program staff, each will sign a document stating they have completed the training and understand the basic principles of purchasing. The training will be updated annually and is mandatory for all EWS staff.
   2) The Administrative Assistant and DV Program Manager will ensure all appropriate steps are followed as outlined by existing purchasing policy. The DV Program Manager will not approve any purchases that have not followed the proper process.
   3) Completion of the training and receipt of policy will be documented in a Training Log at EWS maintained by the Program Manager."

3. **Standard operating procedures could be more comprehensive.**

   Response: Agree, Target implementation 7/18/25

   Respondent narrative: "**1)** Development of Standard Operating Procedures for program and client services to be completed and implemented in alignment with EBCI and PHHS procedures.
   2) SOPs will be informed by standard SOPs used by DVSA programs, DV Program staff experience, and guided by consulting with other professionals in the field.
   3) New staff will be trained by the Lead Advocate and/or Program Manage to ensure understanding and the requirement for compliance. SOPs will be reviewed by all staff annually.
   4) The training and receipt of copy of SOPs will be documented in a Training Log at EWS maintained by the Program Manager."