



DOVER INTERFAITH MISSION FOR HOUSING, INC.

PERFORMANCE AUDIT
AUGUST 1, 2023 - MARCH 31, 2024



**State of Delaware
Office of Auditor of Accounts**

**Lydia E. York
State Auditor**

May 2, 2025

Ms. Chanel Daniels
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The attached report provides the results of our performance audit of Dover Interfaith Mission for Housing, Inc., with respect to the Prescription Opioid Settlement grant program in accordance with the criteria set forth in Delaware Code, the grant application and grant agreement.

We conducted this performance audit in accordance with *Government Auditing Standards* as issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This report is intended for the information and use of Dover Interfaith Mission for Housing, Inc., the Prescription Opioid Settlement Distribution Commission and the Office of Auditor of Accounts. Under 29 Del. C. §10002(o), this report is a matter of public record, and its distribution is not limited. This report, as required by statute, will be provided to the Office of the Governor, General Assembly, Office of the Controller General, Office of the Attorney General, and Office of the Management and Budget.

This report can be accessed online through the State Auditor's website at <https://auditor.delaware.gov>.

A handwritten signature in blue ink that reads "Lydia E. York".

Lydia E. York
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Abbreviations:

AOA	Delaware Office of Auditor of Accounts
BHC	Behavioral Health Consortium
DHR	Department of Human Resources
FSF	First State Financials
GAGAS	Generally Accepted Government Auditing Standards
LGC	Local Government Committee
MOUS	Medication for Opioid Use Disorder
NARR	National Association of Recovery Residences
OD	Opioid Use Disorder
POSC	Plan of Self Care
POSDC	Prescription Opioid Settlement Distribution Commission
SUD	Substance Use Disorder

For further information on this release please contact:

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Audit Objectives

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The objectives established for the performance audit of Dover Interfaith Mission for Housing, Inc. (DIMH) were to:

1. Determine whether grant expenditures were consistent and in compliance with Phase 1A of the signed grant agreement (known as the ‘Opioid Abatement and Remediation Grant’).
2. Determine whether grant expenditures had a demonstrable direct correlation with the related performance measures, scope of work and grant budget as noted in the grant application and signed grant agreement.
3. Determine whether grant expenditures were in compliance with allowable costs and permitted uses of grant funds and that grant reporting deliverables have been met.

Audit Scope

We were engaged to perform this performance audit and conducted our engagement in accordance with the standards applicable to performance audits contained in Government Auditing Standards issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

The period covered by the Performance Audit was August 1, 2023, through March 31, 2024. We sampled and examined transactions from the populations of expenditures and receipts of grant funds for the period. In sampling these transactions, we relied on documentation provided by the Organization, the Delaware Department of Justice, the POSDC (‘the Commission’) and the State of Delaware’s First State Financials (FSF) financial accounting system.

Findings

The performance audit conducted on DIMH contained two (2) findings that were identified during the engagement.

The first finding reports that DIMH did not maintain adequate documentation to perform testing to determine if all expenditures were consistent and in compliance with Phase 1A of the grant agreement.

The second finding reports that DIMH does not have a Conflict-of-Interest Policy to provide assurance that actual conflicts, or the appearance of potential conflicts have been addresses by the organization.

Refer to the Schedule of Findings and Recommendations for details of the deficiencies identified and related recommendations.

Conclusions

Based on the work performed in connection with this performance audit, we concluded the following:

1. Grant expenditures lacked adequate documentation to determine if expenditures were consistent and/or in compliance with Phase 1A of the signed grant agreement, (known as the ‘Opioid Abatement and Remediation Grant).
2. Grant expenditures lacked adequate documentation to determine a demonstrable direct correlation with the related performance measures, scope of work and grant budget as noted in the grant application and signed grant agreement.
3. Grant expenditures lacked adequate documentation to determine compliance with allowable costs or permitted uses of grant funds, and that the lack adequate documentation did not allow auditors to determine whether grant reporting deliverables have been met.
4. DIMH does not currently have a Conflict-of-Interest Policy as part of its company policies and procedures.

Performance Audit Overview

The United States Government Accountability Office develops and promulgates Government Auditing Standards that provide a framework for performing high-quality audit work with competence, integrity, objectivity, and independence to provide accountability and to help improve government operations and services. These standards are referred to as Generally Accepted Government Auditing Standards (GAGAS).

Performance audits are audits that provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Government programs are subject to many provisions of laws, regulations, contracts, and grant agreements. Auditors identify any provisions of laws, regulations, contracts, and grant agreements that are significant within the context of the audit objectives and assess the risk that noncompliance with provisions of laws, regulations, contracts, and grant agreements could occur. Based on that risk assessment, we have designed and performed procedures to obtain reasonable assurance of detecting instances of noncompliance with provisions of laws, regulations, contracts, and grant agreements that are significant within the context of the audit objectives.

We conducted this performance audit in accordance with GAGAS applicable to performance audits issued by the Comptroller General of the United States. These standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We are required to be independent of the granting and recipient organizations to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to this performance audit engagement. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Authority

Auditor of Accounts is authorized under 29 Del. C. § 2906(a) to perform post-audits of all financial transactions of all state agencies. 16 Del. C. § 5196B authorizes the Behavioral Health Consortium to distribute money in the Prescription Opioid Settlement Fund and the Prescription Opioid Impact Fund based on the recommendations of the POSDC by awarding grants. In addition, in accordance with the signed grant agreement “Any entity that applies for and receives (“Recipient”) a grant award or other disbursement of Opioid Funds expressly acknowledges that it is receiving restricted State funds from the Prescription Opioid Impact Fund (the “Impact Fund”) established under 16 Del. C. § 4803B and/or the

Prescription Opioid Settlement Fund (the “Settlement Fund,” and together with the Impact Fund, the “Opioid Funds”) established under 16 Del. C. § 4808B.”

AOA has selected for audit certain grant recipients based on various risk factors. These risk factors include, but are not limited to, constituent referrals, materiality-based selection and random selection. This report has been prepared as part of this performance audit review.

Program Overview

Pharmaceutical manufacturers and distributors have reached a settlement agreement with the State of Delaware, along with a broad coalition of States, to resolve legal claims. The agreements provide for approximately \$50 billion in payments over 18 years to be disbursed to all participating States. Funding will be distributed to States according to the allocation agreements reached among each State’s Attorney’s General. It is anticipated that the State of Delaware will receive approximately \$250 million over 18 years. Distribution within Delaware began during the 3rd quarter of 2023 and is administered by the Delaware Health Consortium. The distributions are to be used to support a wide variety of strategies to fight the opioid crisis.

On October 14, 2021, Senate Bill 166 was signed into law and created the POSDC and vested it with the responsibility for:

- (a) establishing a coordinated and consensus driven effort to repair the harm done to communities in Delaware by the opioid crisis, and
- (b) making recommendations to the Behavioral Health Consortium (the “BHC”) regarding the distribution of money in the Prescription Opioid Impact Fund (the ‘Impact Fund’) established under 16 Del. C. § 4803B and the Prescription Opioid Settlement Fund (the “Settlement Fund”) established under 16 Del. C. § 4808B.

The POSDC was a subcommittee of the Behavioral Health Consortium (BHC) and is charged with providing funding recommendations to the BHC to abate and remediate the Delaware opioid crisis.

The work of the POSDC is supported by its co-chairs and the following six standing committees:

1. Behavioral Health Resources Committee
2. Budget and Reporting Committee
3. Equity Committee
4. Governance Committee
5. Local Governments Committee
6. Public Outreach and Community Input Committee

The purpose of the POSDC is to abate and remediate the opioid epidemic throughout the State of Delaware through financial support from the Fund in the form of grant awards for efforts to treat, prevent, and reduce opioid use disorder and the misuse of opioids.

Pursuant to the above noted legislation and 16 Del. C. § 5196A, the General Assembly created a Local Government Committee (the “LGC”), which has statutory authority to make recommendations to the Commission regarding the distribution of money from the Impact Fund and the Settlement Fund. The Commission, with the recommendation of the LGC, approved grants to 78 non-profit and governmental

organizations in 2 phases, totaling \$13,006,135 (Phase 1A: \$3,656,039 & Phase 1B: \$9,350,096, respectively).

The Impact Fund and each respective grant award was meant to increase access to treatment, reduce unmet treatment needs and reduce opioid overdose related deaths by providing prevention, treatment and recovery activities for ‘Opioid Use Disorder’ (OUD), including prescription opioids and illicit drugs such as heroin.

Grant Agreement – This Performance Audit is prescribed by the ‘Mandatory Terms and Conditions for the Prescription Opioid Impact Fee Fund and Prescription Opioid Settlement Fund’ grant agreement.

Organization Background

DIMH is a non-profit organization that was founded in 2008 to provide services to the homeless and advocacy for displaced persons in Central Delaware. DIMH has recovery residences for single men in Kent County Delaware and a resource center to provide services, including case management, laundry and drying services, assistance with obtaining benefits, and a mailing address for homeless individuals in the Dover Delaware area. DIMH services include education, addictions counseling, employment training, mental health resources, safe and affordable housing placement. DIMH also collaborates with other organizations and advocates for improved public policy affecting those experiencing homelessness.

DIMH was allocated \$100,000 of Opioid Grant funds to expand the Organization’s peer support services through opioid education and awareness, providing Naloxone training, and expanding the network to include students to educate the younger population.

Audit Methodology and Results

To address the audit objectives of this performance audit, we performed the following procedures:

- A. Planning Phase: The audit relied on various sources of information and methods to properly plan the audit and to obtain an understanding of, and assess processes for the Organization, including the following:
 1. We reviewed the applicable sections of the Federal Prescription Opioid Settlement Distribution legislation to gain an understanding of the legal and policy requirements governing the ‘Prescription Opioid Settlement Distribution’ grants.
 2. We inquired whether there were any findings and recommendations in reports resulting from previous audits that relate to the objectives of this audit and whether the recommendations have been implemented.
 3. We reviewed board minutes for the Organization.
 4. We identified and reviewed contracts, agreements, and other important documents.
 5. We performed risk assessment procedures such as:
 - a. Obtained and documented an understanding of the Organization and its environment and identified risks.

- b. Completed engagement team discussions, including discussions about the possibility of error or fraud involving opioid grant funds.
 - c. Made inquiries of management and others about risks (including fraud risks, related-party transactions, unusual transactions, and compliance with laws, regulations, contracts and grant agreements).
 - d. Inquired as to the existence of the organization's internal control system over grant receipts and expenditures.
- B. Performance Assessment: Based on the information gathered, we developed the following risk-based approach to assess the design and operation of compliance over grant funds with respect to the audit objectives.
1. To determine the compliance of grant disbursements, we sampled transactions using non-statistical sampling for payroll expenditures charged to the opioid grant. We used judgmental sampling for other grant expenditures charged to the grant. We tested the selected transactions from the population of expenditures from opioid grant funds to determine that the transactions were properly documented, authorized, and properly recorded; that products and services were received; and that the transactions complied with opioid grant requirements.
 2. We sampled and tested transactions from a population of grant disbursements to determine whether the disbursements were consistent and in compliance with Phase 1A of the Prescription Opioid Impact Fee Settlement Fund.
 3. We sampled and tested transactions from a population of grant disbursements to determine whether the disbursements had a demonstrable direct correlation with the expected performance measures, scope of work and grant agreement and budget.
 4. We compared the grant application and grant agreement to the grant disbursements and reported results to assess whether the grant deliverables had been met with respect to the grant agreement.

Objective 1

Determine whether grant expenditures were consistent and in compliance with Phase 1A of the signed grant agreement, (known as the 'Opioid Abatement and Remediation Grant').

Methodology – To assess the Organization's compliance over opioid grant expenditures, we tested payroll expense transactions charged to the grant totaling \$10,444 and a judgmental sample of other expenses transactions totaling \$34,256. In total we tested \$44,700 of expenditures charged to the grant.

Results – We found that the payroll expenditures charged to the opioid grant were consistent and in compliance with Phase 1A of the signed grant agreement. We tested expenditures of opioid grant funds for compliance and found that \$29,000 of the \$34,256 of other expenses tested (85%) did not have adequate supporting documentation to support the expenditure transaction. We were therefore unable to determine if the expenditures were in accordance with the requirements during the audit period.

Objective 2

Determine whether grant expenditures had a demonstrable direct correlation with the related performance measures, scope of work and grant budget as noted in the grant application and grant agreement.

Methodology - To determine if each of the expenditures selected for testing had a demonstrable direct correlation with the performance measures and scope of work, we reconciled each transaction tested to the opioid abatement program and budget and reviewed supporting documentation. We also compared the purpose of the transaction to the performance measures and scope of work included in the grant agreement. We compared the purpose of the expenditure to the budget categories to determine if the expenditure aligned with one of the budget categories.

Results – We were unable to determine if \$29,000 of the \$100,000 of total grant expenditures tested (30%) had a demonstrable direct correlation with the related performance measures, scope of work and grant budget due to the lack of adequate documentation to support the expenditure transactions.

Objective 3

Determine whether grant expenditures were in compliance with allowable costs and permitted uses of grant funds and that grant reporting deliverables have been met.

Methodology – To determine if the tested expenditures were in compliance with allowable costs and permitted uses of the grant and whether reporting deliverables were met, we compared the signed grant agreement, grant application and each of the periodic status update reports to each grant disbursement to determine if each expenditure was relevant and consistent with Opioid Abatement grant legislation and guidance and that each status report appeared reasonable considering the amount and nature of each expenditure.

Results – We could not determine if \$29,000 of the \$100,000 expenditures charged to the grant (30%) were in compliance with allowable costs and permitted uses of grant funds in accordance with the Organization’s grant agreement due to the lack of supporting documentation. We found that ‘reporting deliverables’ were met for compliance transactions that had adequate supporting documentation.

SCHEDULE OF FINDINGS AND RECOMMMENTATIONS

There were findings identified as a result of this performance audit of Dover Interfaith Mission for Housing Inc. as follows:

Finding #1: Supporting documentation was not maintained in order to determine if grant expenditures were consistent and in compliance with the signed grant agreement; had a demonstrable direct correlation with the related performance measures, scope of work and grant budget as noted in the grant application and signed grant agreement section 2(a) and 2(b); and whether the grant expenditures were in compliance with allowable costs and permitted uses of grant funds.

Criteria: State of Delaware; Office of the Lieutenant Governor; Agreement Governing Distributions of Prescription Opioid Impact Fee Funds and Prescription Opioid Settlement Funds, Audit and Inspection Provision 2(a) and 2(b).

Condition: Dover Interfaith Mission for Housing Inc. has not maintained documentation for expenditures relating to:

- Stipends paid to students,
- Housing and meals for 60 days for 8 clients, and
- Stipend for Grant Facilitator.

Cause: Dover Interfaith Mission for Housing, Inc. did not follow its internal controls and procedures in order to maintain proper documentation to support grant expenditures.

Effect: Due to the lack of documentation, we were unable to verify the services provided and reported by DIMH, Inc. under the Opioid Abatement and Remediation Grant. This non-compliance with Provisions 2(a) and 2(b) of the Grant Agreement has resulted in:

- An inability to measure outcomes. Without proper documentation, it is impossible to obtain accurate metrics to evaluate the effectiveness and impact of the program.
- Uncertainty of Program Success: The success and efficacy of the wrap-around services provided by Higher Ground Outreach, Inc. cannot be determined, potentially undermining stakeholder confidence.
- Risk of Funding Issues: Non-compliance with grant requirements may jeopardize current and future funding opportunities, affecting the organization’s ability to sustain and expand its services.
- Accountability Concerns: The absence of documentation raises concerns about accountability and transparency, which are critical for maintaining trust with funders, partners, and the community.

Recommendation: DIMH, Inc. should:

- Follow its internal policies and procedures to ensure that documentation supporting program deliverables is maintained.
- Utilize technology solutions, such as a centralized database or documentation management system, to streamline the documentation process and ensure records are easily accessible and securely stored.
- Conduct regular internal reviews of documentation practices to ensure compliance with grant requirements and identify areas for improvement.
- Establish oversight mechanisms, such as periodic management reviews and performance metrics, to monitor documentation practices and ensure continuous compliance.

Finding #2: Conflict of Interest Policy

Criteria: State of Delaware; Office of the Lieutenant Governor; Agreement Governing Distributions of Prescription Opioid Impact Fee Funds and Prescription Opioid Settlement Funds, Audit and Inspection Provision 2(a) and 2(b).

Condition: DIMH Executive Director Carol Boggerty has been a member of the Behavioral Health Consortium of Delaware since October 17, 2023. The Behavioral Health Commission is tasked with giving approval for the applications for Delaware Opioid Grant Funding. Once approved by the BHC, a

final approval must be made by the POSDC. The vote to approve funding for DIMH Inc.'s Opioid Grant was held on April 18, 2023, prior to her becoming a member of the BHC. Although no conflict of interest occurred with the initial approval of funding for DIMH by the BHC, there is an appearance of a conflict of interest because the Executive Director is in a position to approve funding by being a member of an oversight agency.

Cause: DIMH Inc. does not have a Conflict-of-Interest Policy as part of its organization's policies and procedures.

Effect: The lack of a Conflict-of-Interest Policy could give the appearance of favoritism in approving grant funding for an organization whose Executive Director is a member of an oversight organization for grant funding.

Recommendation: DIMH, Inc. should:

- Develop a Conflict-of-Interest Policy that addresses potential situations that appear to pose a conflict.
- Maintain formal documentation to include, but not limited to, all facets of business contacts, accountability and responsibility, transactions, and changes in scope.

Management Response:



DOVER INTERFAITH
MISSION FOR HOUSING

October 23, 2025

Mr. Renard Stewart, CPA
Office of Auditor of Accounts – State of Delaware
401 Federal Street, Suite 2
Dover, DE 19901

Subject: Management Response to the Audit of Opioid Settlement Grant Funding – FY 2023 through March 31, 2024

Dover Interfaith Mission for Housing (DIMH) and its Board of Directors appreciate the Office of Auditor of Accounts' review of the organization's administration of Opioid Settlement Grant funding for the period July 1, 2023 through March 31, 2024. We value the opportunity to participate in this process and thank your office for its diligence in supporting accountability and stewardship of funds designated to assist Delaware's most vulnerable residents.

This correspondence represents the official Management Response submitted by Dover Interfaith Mission for Housing, under the direction of the Director of Compliance & Grant Development, in coordination with the Board of Directors and Whisman Giordano & Associates, LLC (Independent Certified Public Accountants). The following sections outline corrective actions completed, ongoing improvements, and continued measures taken to strengthen governance, internal controls, and compliance with federal and state requirements.



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Finding #1 – Documentation and Internal Controls

The audit determined that Dover Interfaith Mission for Housing (DIMH) did not maintain sufficient supporting documentation for certain grant expenditures during the audit period. Specifically, documentation was not retained to substantiate stipends paid to students, housing and meal costs for clients, and the grant facilitator stipend. As a result, the auditors were unable to verify whether these expenditures were consistent with the terms of the Prescription Opioid Settlement Grant Agreement, its performance measures, and allowable cost requirements.

DIMH acknowledges the importance of maintaining complete and auditable records and concurs with the recommendation to strengthen internal controls and record-retention practices. Since the audit period, the organization has launched a comprehensive Microsoft SharePoint Documentation & Retention System designed for grant management, procurement oversight, and compliance monitoring. Each department now follows standardized folder structures within SharePoint, including Finance, Grants, Compliance, Human Resources, and Program channels, ensuring accessibility and segregation of duties. All folders are permission-controlled and aligned with the Records Retention and Document Destruction Policy in accordance with 2 CFR § 200.334.

In addition, DIMH utilizes QuickBooks Online for financial reconciliation and DonorPerfect for donor management. The CPA maintains restricted access to review key folders (CPA & Audit Support, QuickBooks Exports, Schedules & Adjusting Entries, Tax Filings & 990s, and Bookkeeping – for the Executive Operations Assistant to monitor). The Executive Operations Assistant ensures documents are categorized correctly, maintaining separation of duties and compliance readiness.

Finding #2 – Conflict of Interest & Governance Oversight

DIMH acknowledges the importance of strong governance practices and transparent conflict-of-interest procedures to maintain public trust. Upon review, the organization determined that no financial benefit was derived by any board or staff member related to the referenced MOU. The Director of Compliance & Grant Development provides oversight of all corrective actions and governance activities.

Since the audit period, the organization has developed and implemented updated policies addressing conflict of interest, records retention, procurement, and signature authorization, all adopted by the Board. Quarterly internal review audits were established to evaluate compliance across finance, human resources, and program operations. The Director of Compliance provides weekly written updates to the Board on policy implementation, grant compliance, and internal audit outcomes. Board agendas now include a standing compliance update to maintain transparency.



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Summary of Ongoing Compliance Commitments

DIMH remains committed to continuous improvement in governance and compliance. The organization will continue quarterly internal audits, policy reviews, and SharePoint system enhancements to ensure audit readiness. Future improvements include automation of compliance tracking, real-time conflict disclosure systems, and expanded staff training. Under the direction of the Director of Compliance & Grant Development, and in collaboration with Whisman Giordano & Associates, LLC, DIMH will sustain its compliance culture through proactive oversight, verified reconciliation, and transparent reporting to its Board of Directors.

During the next Board meeting, scheduled for Nov 6, 2025, the Director of Compliance & Grant Developer will provide the Board with an overview of documentation standards under 2 CFR Part 200 as part of the organization's ongoing compliance education. Written guidance summarizing these documentation and recordkeeping standards will also be included in the weekly compliance update. Upon completion of the Microsoft SharePoint system, formal training will be provided to all Board members and staff on the use of SharePoint for grant management, documentation retention, and audit readiness.

Conclusion

Dover Interfaith Mission for Housing appreciates the diligence and professionalism of the Office of Auditor of Accounts in conducting this review. The organization remains committed to full compliance with all applicable state and federal regulations, including 2 CFR Part 200, and to continuous improvement of its governance and financial management systems.

Under the leadership of the Director of Compliance & Grant Development and the oversight of the Board of Directors, DIMH will continue to strengthen its internal controls, ensure transparent reporting, and uphold the highest standards of accountability to the community and funders we serve.



DOVER INTERFAITH
MISSION FOR HOUSING

Respectfully submitted,

Chanel Daniels
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Peter Oldziej
Board Treasurer
Dover Interfaith Mission for Housing

Appendix A: Sampling Methodology**Expenditure Sampling: Payroll Expenditures**

Payroll Population:

- Overall population: Total payroll expenditures charged to the opioid grant award during the audit period could not be identified. The total amount of grant funds disbursed to date is \$100,000. The total payroll amount of expenditures identified for testing was \$10,444 from a total of \$62,042.
- Sampling frame for salaries and wages: All payroll reports and related documentation for employees charged the grant during the audit period (August 1, 2023, to March 31, 2024).

Sampling Method:

- Initial Selection: Judgmental sampling was used to identify key areas of expenditure based on the budget-to-actual expenditure report. The budget categories with the highest dollar totals were chosen, with salaries and benefits having the largest amount. This approach focuses on areas of highest risk or potential impact.
- Salaries and Wages Testing: Non-statistical (targeted review) sampling was employed for the salaries and wages component. This method focuses on specific transactions based on the auditor's judgment and experience rather than mathematical probability.

Sample Selection/Sample Size:

- Initial Selection: Based on the budget to actual expenditure report, salaries and benefits were identified as a key area representing a significant percent of the grant expenditures.
- Salaries and Wages Selection/Sample Size:
 - Employees: Two (2) employees were selected for testing based on the information documented in the Opioid grant budget.
 - Pay Periods: Pay periods were selected haphazardly (i.e., without a predetermined pattern or bias) from a nine (9) month period within the audit scope.
 - Payroll Transactions Sample Size: Five (5) pay periods were selected haphazardly (i.e., without a predetermined pattern or bias) from a four (4) month period of a total of \$10,444 within the audit scope.
 - Total Payroll Dollar Amount Tested: The total payroll expenditures tested were \$10,444 out of a total of \$62,042 of payroll expenditures.
 - Rationale: Since the salaries paid were consistent throughout all of the pay periods, this selection aimed to confirm that transactions were processed consistently over time.

Expenditure Sampling: Other Expenditures

Other Expenditure Testing Population:

- Overall population: Total expenditures charged to the \$100,000 opioid grant award during the audit period. Total grant funds disbursed to date are \$100,000. The dollar amount of other expenses charged to the grant funds totaled \$34,256.
- Sampling frame for other expenditures: All expenditures other than payroll charged to the opioid grant during the audit period (August 1, 2023, to March 31, 2024).

Sampling Method:

- Initial Selection: Judgmental sampling was used to identify key areas of expenditure based on the budget-to-actual expenditure report. The budget categories with the highest dollar totals were chosen. This approach focuses on areas of highest risk or potential impact.
- Non-Payroll-Other Expenditures: Non-statistical (targeted review) sampling was employed for the non-payroll other expenditures component. This method focuses on specific transactions based on the auditor's judgment and experience rather than mathematical probability.

Sample Selection/Sample Size:

- Initial Selection: Based on the budget-to-actual expenditure report, direct client services were identified as the key areas representing a significant percentage of the other grant expenditures.
- Other Expenditures Selection:
 - Five (5) other expense transactions related to the client support services in the amount of \$34,256 were selected.
 - The sample size consisted of financial documents, bank statements, and other expenditure documentation that represented the total dollar amount charged to the grant budget category.
- Rationale: We selected the transactions based on materiality and the grant terms and conditions.