



**Justin P. Wilson, Comptroller**

November 14, 2017

## **Nonprofit Domestic Violence Group Falsified Time Reports**

*Reports were used to receive money from federal and state grants*

An investigation by the Tennessee Comptroller's Office has found a series of falsified time reports and poor documentation practices within the Tennessee Coalition to End Domestic and Sexual Violence (the Coalition).

Comptroller investigators found that time records for Coalition employees were falsified and did not accurately reflect time spent working on federal and state grant projects. Employees were instructed to falsely allocate percentages of time worked on various grants. Changes to time records were also made after the end of the respective pay periods.

The Coalition's method of allocating time to grants increases the risk that grants may be charged for time that was not actually spent working on the grant. Investigators are questioning salary costs totaling \$515,092 on grants administered by state agencies in fiscal year 2016.

Investigators also found a former employee of the Coalition received unearned leave and benefits from local, state and federal grants totaling \$13,524. The employee resigned in February 2016 but continued to receive unearned personal leave from March through June 2016. Payment of unearned leave is a questionable use of grant funds.

Another former employee was instructed to falsely indicate that she was working on federal grant projects, even though she did not work on the federal grant. The employee told investigators that she was "coached" by the Executive Director to tell Comptroller investigators that her time records were accurate.

Poor documentation also led investigators to question \$25,945 of the Executive Director's salary. This represents grant money that was paid to the Executive Director on 54 days in which investigators could not determine the amount of time she spent lobbying the legislature or fundraising. These activities are unallowable costs to a grant.

The findings, recommendations, and management responses within the report have been reviewed with the district attorney general for the 20<sup>th</sup> Judicial District and the Office of the United States Attorney for the Middle and Eastern Districts of Tennessee.

"Documentation is essential for any entity that receives grant money," said Comptroller Justin P. Wilson. "Time records should never be falsified with inaccurate information. Local, state and federal agencies must be confident that grant dollars are being spent as intended."

To view the investigative report online, go to: <http://www.comptroller.tn.gov/ia/>.

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