



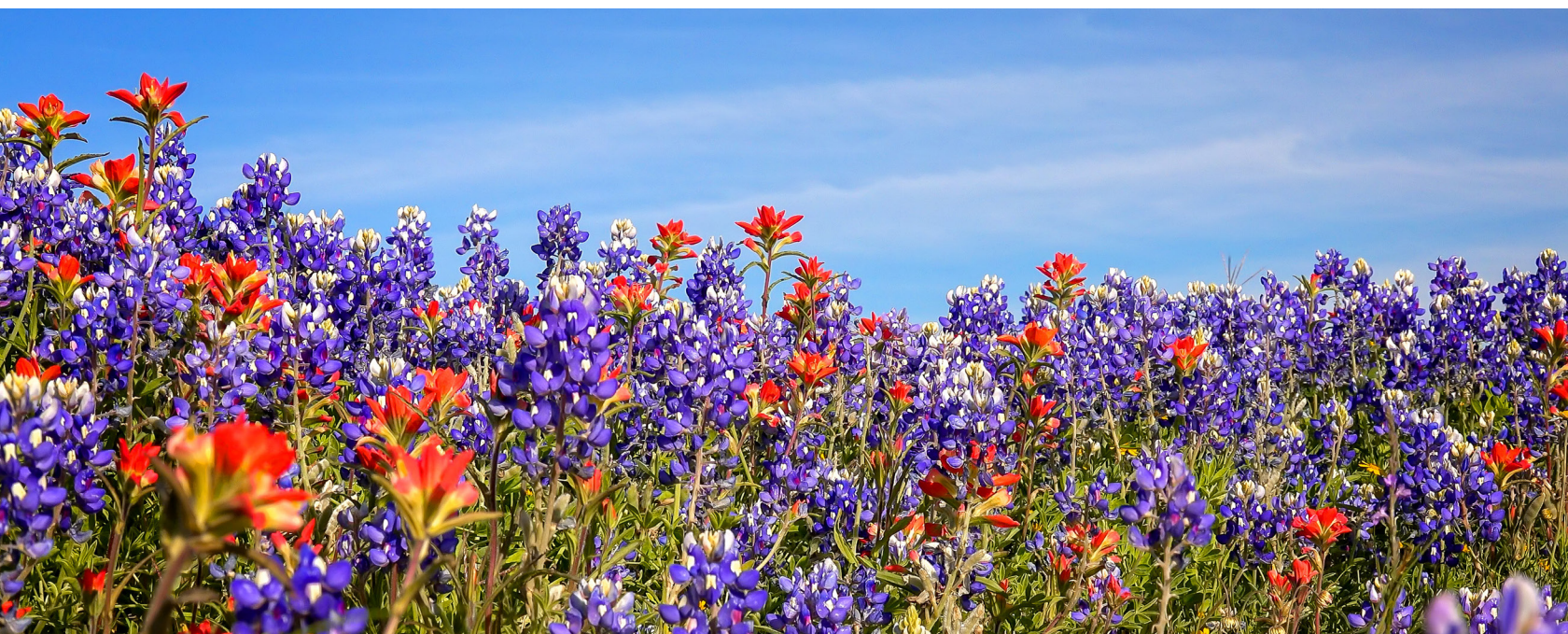
# NORTH DAKOTA OFFICE OF THE STATE AUDITOR

*State Auditor Joshua C. Gallion*

## North Dakota Protection and Advocacy Project

Audit Report for the Two-Year Period Ended June 30, 2022

*Client Code 360*





## WHAT WE LOOKED AT AND WHY

North Dakota state law requires that our team perform an audit once every two years. This includes a review of financial transactions and determining that expenditures are correct. Our audit reports any errors, internal control weaknesses or potential violations of law identified in significant or high-risk functions of the agency.

## WHAT WE FOUND

This audit did not identify any areas of concern.

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## HAVE QUESTIONS? ASK US.

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# Introduction

## North Dakota Protection and Advocacy Project

March 31, 2023

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We are pleased to submit this audit of the Protection and Advocacy Project for the two-year period that ended June 30, 2022. This audit resulted from the statutory responsibility of the State Auditor to audit or review each state agency once every two years. The same statute gives the State Auditor the responsibility to determine the contents of these audits.

The primary consideration in determining the contents of these audits is to produce informative audits to improve government. Statutory audit requirements are an important part of these audits and are addressed by our standard audit objective. Whenever possible, additional audit objectives are included to increase the responsiveness and effectiveness of state government.

Lindsey Slappy, CPA, was the audit manager. Inquiries or comments relating to this audit may be directed to the audit manager by calling (701) 328-2241. We wish to express our appreciation to the Protection and Advocacy staff for the courtesy, cooperation, and assistance they provided to us during this audit.

Respectfully submitted,

/S/

**JOSHUA C. GALLION**  
**NORTH DAKOTA STATE AUDITOR**

## TERMS USED IN REPORT

**Appropriation:** An amount authorized by the North Dakota Legislative Assembly to be spent for a specific purpose.

**Blanket Bond Coverage:** Insurance to state agencies for any default or wrongful act on the part of any public employee or public official.

**ConnectND:** The accounting system for North Dakota.

**Internal Control:** Policies and procedures that ensure reliable financial reporting, safeguard assets, promote accountability and efficiency, and prevent fraud.

**Noncompliance:** Failure to act in accordance with a wish or command.

**North Dakota Century Code (N.D.C.C.):** Collection of all the statutes passed by the North Dakota Legislative Assembly.

**Performance Audit:** Engagements that provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability.

**Session Laws:** Published after each regular and special legislative session and contain the laws enacted during that session.



# Audit Results

## ▼ PRIMARY OBJECTIVE

Are there any errors, internal control weaknesses, or potential violations of law for significant or high-risk functions of the agency?

## CONCLUSION

No areas of concern were identified.

# Audit Procedures

## Primary Objective

### INTERNAL CONTROL

We obtained an understanding of internal control through inquiries, observations, and inspection of documentations and electronic data records. We planned our audit work to assess the design, implementation, and operating effectiveness of those internal controls that were significant to our audit objectives.

The specific internal control testing completed for this audit objective is identified below:

- Segregated preparation and approval of expenditures is tested statewide in the State of North Dakota Annual Comprehensive Financial Report (ACFR).

There were no deficiencies identified.

### SCOPE

The North Dakota Protection and Advocacy Project has operations in the following locations. Each location was included in the audit scope:

- Central Office and main location of operation is in downtown Bismarck.
- Satellite offices located in Belcourt, Dickinson, Devils Lake, Grafton, Grand Forks, Fargo, Jamestown, Minot, and Williston.

### METHODOLOGY

To meet this objective, we:

- Interviewed appropriate agency personnel.
- Observed the Department's processes and procedures.

- Analyzed financial data in ConnectND to determine areas of risk.
- Selected a random sample of expenditures to ensure expenditures were for lawful and official purposes and properly coded and supported (N.D.C.C. Chapter 44-08-05.1, N.D.C.C. 54-44.1-09, N.D.C.C. 44-08-03).
- Reviewed adequacy of blanket bond coverage by comparing coverage to state bonding guidelines (N.D.C.C. 26.1-21-08, N.D.C.C. 26.1-21-10(1)).

### AUTHORITY AND STANDARDS

This biennial audit of the North Dakota Protection and Advocacy Project has been conducted by the Office of the State Auditor pursuant to authority within North Dakota Century Code Chapter 54-10.

We conducted this performance audit in accordance with generally accepted government auditing standards. 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.

The standards used to evaluate internal control are published in the publication Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States (Green Book, GAO-14-704G).

# Financials

## Revenues and Expenditures

REVENUES AND OTHER SOURCES	JUNE 30, 2022	JUNE 30, 2021
Revenue from Federal Government	\$ 1,818,971	\$ 1,346,387
<b>Total Revenue and Other Sources</b>	<b>\$ 1,818,971</b>	<b>\$ 1,346,387</b>

EXPENDITURES BY LINE ITEM	JUNE 30, 2022	JUNE 30, 2021
Salaries and Benefits	\$ 2,827,325	\$ 2,964,094
Rent and Insurance	129,482	127,708
IT Data Processing and Communications	115,369	107,887
Operating Fees and Services	61,237	28,027
Professional Fees, Services, and Materials	40,745	39,308
Travel	39,056	14,461
Professional Development	19,692	13,943
Postage and Printing	16,048	19,217
Periodicals and Subscriptions	15,831	17,229
Promotional Supplies	11,226	11,547
Office - Equipment, Supplies and Repairs	7,970	19,296
Building, Grounds, Utilities, and Repairs	2,485	813
<b>Total Expenditures and Other Uses</b>	<b>\$ 3,286,466</b>	<b>\$ 3,363,530</b>

Source: ConnectND Financials



# Appropriations

For the Year Ended June 30, 2022

	FINAL APPROPRIATION	EXPENDITURES	UNEXPENDED APPROPRIATIONS
<b>Expenditures by Line Item</b>			
P & A Services	\$ 7,402,940	\$ 3,286,466	\$ 4,116,474
Totals	7,402,940	3,286,466	4,116,474
<b>Expenditures by Source</b>			
General	3,139,350	1,368,828	1,770,522
Other	4,263,590	1,917,638	2,345,952
<b>Totals</b>	<b>\$ 7,402,940</b>	<b>\$ 3,286,466</b>	<b>\$ 4,116,474</b>

For the Biennium Ended June 30, 2021

	FINAL APPROPRIATION	EXPENDITURES	UNEXPENDED APPROPRIATIONS
<b>Expenditures by Line Item</b>			
P & A Services	\$ 7,306,700	\$ 6,539,210	\$ 767,490
Totals	7,306,700	6,539,210	767,490
<b>Expenditures by Source</b>			
General	3,312,565	3,303,334	9,231
Other	3,994,135	3,235,876	758,259
<b>Totals</b>	<b>\$ 7,306,700</b>	<b>\$ 6,539,210</b>	<b>\$ 767,490</b>

Source: ConnectND Financials




NORTH DAKOTA STATE AUDITOR  
JOSHUA C. GALLION


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