

## Report in Brief

Date: February 2019

Report No. A-02-16-02007

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Review

The Office of Refugee Resettlement (ORR) within the Department of Health and Human Services (HHS) Administration for Children and Families (ACF) manages the Unaccompanied Alien Children (UAC) program. The UAC program served between 7,000 and 8,000 children annually from fiscal years (FYs) 2005 through 2011. In FY 2012, the number of children served in the program increased to 13,625. In FY 2014, ORR served 57,496 children. In FY 2015, ORR served 33,726 children.

Lincoln Hall Boys' Haven (Lincoln Hall), a UAC grantee responsible for caring for children in ORR custody, received \$29.8 million in Federal funds for the care and placement of approximately 1,778 children during our review period. We selected Lincoln Hall for review because of the size of its grant.

Our objectives were to determine whether Lincoln Hall (1) met applicable safety requirements for the care and release of children in its custody; (2) claimed only allowable expenditures in accordance with applicable laws, regulations, and Departmental guidance; and (3) provided adequate oversight of its subrecipients and contractors.

### How OIG Did This Review

We inspected shelter care cottages, reviewed a nonstatistical sample of employee files, and reviewed a statistical sample of case files for those children who had been released to a sponsor during FYs 2014 and 2015.

## Lincoln Hall Boys' Haven, an Administration for Children and Families Grantee, Did Not Always Comply With Applicable Federal and State Policies and Requirements

### What OIG Found

Lincoln Hall did not meet or properly document that it met certain safety requirements for the care and release of children in its custody, could not identify actual expenditures incurred and charged to the UAC program, and did not monitor its subrecipients' and contractors' performance. Specifically, Lincoln Hall did not adequately meet employer requirements for 27 of 35 employee files reviewed and did not have evidence of the proper care and release of children in its custody for 70 of 75 children sampled. In addition, Lincoln Hall could not identify the actual expenditures incurred that comprised the \$29.8 million charged to the UAC program, the entire amount that Lincoln Hall received in FYs 2014 and 2015, and did not ensure that its subrecipients and contractors met the terms and conditions of their agreements.

As a result, Lincoln Hall may have placed the health and safety of children at risk, may have charged unallowable expenditures to the UAC program, and the services provided by its subrecipients and contractors could have been inadequate.

### What OIG Recommends and Lincoln Hall Comments

We recommend that Lincoln Hall (1) adhere to policies that meet applicable safety requirements for the care and release of children in its custody and maintain supporting documentation, (2) provide documentation to support the \$29.8 million of program costs or refund the Federal Government, and (3) develop policies and procedures that adhere to requirements for monitoring subrecipients and contractors. We also made a series of other procedural recommendations.

In written comments on our draft report, Lincoln Hall agreed with many of the audit findings but did not indicate concurrence or nonconcurrence with our recommendations. However, Lincoln Hall described steps that it had taken or planned to take to address our recommendations and provided supporting documentation. After reviewing Lincoln Hall's comments and subsequent additional documentation, we removed one finding and related recommendation and removed one subfinding. We maintain that our findings and recommendations, as revised, are valid and commend Lincoln Hall for taking the appropriate corrective actions.