



Pennsylvania Department of the

# AUDITOR GENERAL

Facebook: Pennsylvania Auditor General

Twitter: @PaAuditorGen

## News for Immediate Release

Sept. 26, 2016

### **Auditor General DePasquale Launches Audit of DHS Grant to Abortion Alternative Services Provider Real Alternatives**

**HARRISBURG** – Auditor General Eugene DePasquale today announced that his department will conduct an audit of a Department of Human Services (DHS) grant to Harrisburg-based Real Alternatives, which provides abortion alternative services to pregnant women.

“We are performing this audit in part, because of a request from the Department of Human Services after its own auditors were unable to determine how some of the grant money is being used,” DePasquale said.

A recent DHS audit revealed that Real Alternatives deducts a three percent fee from reimbursements to its service providers. Real Alternatives refused to provide information to allow DHS auditors to review reimbursements from the three percent fee or to provide any details on how the funds from the fee are used.

“We want to be sure that the entirety of the tens of millions of tax dollars that have been granted to Real Alternatives are appropriately directed to provide services to pregnant women in Pennsylvania,” DePasquale said. “After all, this grant is funded by tax dollars, and those funds must be used in accordance with the requirements in the grant agreement.”

Real Alternatives currently has a \$30.2 million five-year DHS grant, which expires June 30, 2017.

The Real Alternatives grant was made through DHS’ Alternative to Abortion Services Program, which provides pregnancy testing, counseling and other assistance to women experiencing a crisis pregnancy.

The initial audit objectives are to:

- determine whether the audit procedures performed by DHS’ Division of Audit and Review for the audit of a grant released on April 25, 2016, were adequate and that the conclusions reached were appropriate; and
- review the expenditures and expenditure documentation for the three percent fee that Real Alternatives assesses its service providers, and determine whether this fee is an appropriate use of funds under the grant agreement.

The audit will cover July 1, 2012 through June 30, 2015.

###