



Audit of the Office of Justice Programs
Victim Assistance Funds Subawarded by
the Massachusetts Office for Victim
Assistance to Finex House, Inc., Boston,
Massachusetts



AUDIT DIVISION

25-067

JULY 2025



EXECUTIVE SUMMARY

Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Massachusetts Office for Victim Assistance to Finex House, Inc., Boston, Massachusetts

Background

The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP) provided funds to the Massachusetts Office for Victim Assistance (Massachusetts) to make subawards to support victim assistance programs in the commonwealth of Massachusetts. Massachusetts awarded \$547,019 in crime victim assistance funds to Finex House, Inc. (Finex House) under two subawards in July 2023 and July 2024. The purpose of Finex House's subawards was to provide housing, crisis intervention services, and transitional housing support to victims of domestic violence. As of February 2025, Massachusetts had reimbursed Finex House for a cumulative amount of \$460,000 for the subawards we reviewed.

Audit Objective

The objective of this DOJ Office of the Inspector General audit was to review how Finex House used Victims of Crime Act funds to assist crime victims and assess whether it accounted for these funds in compliance with select award requirements, terms, and conditions.

Summary of Audit Results

The audit concluded that Finex House provided services that included emergency shelter, crisis intervention, individual advocacy, child or dependent care assistance, interpreter services, and counseling to victims of domestic violence in Boston, Massachusetts. However, the audit also found that Finex House should improve certain areas of its subaward management, to include enhancing its accounting system and developing and implementing programmatic and fiscal policies and procedures.

Program Performance Accomplishments

The audit concluded Finex House provided victim services to assist domestic violence victims. The audit also found that Finex House lacked written program policies and procedures for preparing its performance report data and prorating performance data.

Financial Management

Our audit concluded that Finex House subaward expenditures were generally allowable and supported, however we identified concerns with Finex House's financial management, including an inadequate accounting system and a lack of clear fiscal policies and controls for its reimbursement request process, timesheets, and overtime.

Recommendations

Our report contains five recommendations for OJP to work with Massachusetts to assist Finex House in improving its award management and administration. We requested a response to our draft audit report from Finex House, Massachusetts, and OJP officials which can be found in Appendices 2, 3, and 4, respectively. Our analysis of those responses is included in Appendix 5.

Table of Contents

Introduction.....	1
Finex House.....	2
OIG Audit Approach	2
Audit Results.....	3
Program Performance and Accomplishments	3
Program Implementation.....	3
Performance Reporting	3
Prorating Performance	4
Program Services.....	4
Financial Management	5
Subaward Expenditures	5
Financial Management System.....	5
Tracking Federal Expenditures Separately.....	5
Unique Username and Passwords.....	6
Fiscal Policies and Controls	6
Reimbursement Request Process	6
Payroll - Timesheets	7
Overtime Policy	7
Conclusion and Recommendations	8
APPENDIX 1: Objective, Scope, and Methodology	9
Objective.....	9
Scope and Methodology.....	9
Internal Controls.....	10
APPENDIX 2: Finex House Response to the Draft Audit Report.....	11
APPENDIX 3: Massachusetts Office for Victim Assistance Response to the Draft Audit Report	13
APPENDIX 4: The Office of Justice Programs Response to the Draft Audit Report.....	16
APPENDIX 5: Office of the Inspector General Analysis and Summary of Action Necessary to Close the Audit Report.....	21

Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of victim assistance funds received by Finex House, Inc. (Finex House), located in Boston, Massachusetts. The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) provided this funding to the Massachusetts Office for Victim Assistance (Massachusetts), which serves as the state administering agency (SAA) for the commonwealth of Massachusetts and makes subawards to direct service providers. As a direct service provider, Finex House received subawards in July 2023 and July 2024 from Massachusetts totaling \$547,019. These funds originated from Massachusetts's fiscal year (FY) 2020 and 2021 federal grants, as shown in Table 1.

Table 1

Audited Subawards to Finex House from Massachusetts

SAA Subaward Identifier	OJP Prime Award Numbers	Project Start Date	Project End Date	Victims of Crime Act (VOCA) Amount	Total Award Amount^a
VOCA2024FINX	2020-V2-GX-0027	7/01/2023	6/30/2024	\$460,010	\$460,010
VSS2025FINX	15POVC-21-GG-00629-ASSI	7/01/2024	6/30/2025	\$87,009	\$437,009
Total:				\$547,019	\$897,019

^a For the VSS2025FINX subaward, the total subaward amount includes \$350,000 is American Rescue Plan Act (ARPA) funds. As of February 2025, Massachusetts had not reimbursed Finex House with VOCA funds under subaward VSS2025FINX.

Source: JustGrants and Massachusetts

Established by VOCA of 1984, the Crime Victims Fund (CVF) is used to support crime victims through DOJ programs and state and local victim assistance and compensation initiatives.¹ According to OJP's program guidelines, victim assistance services eligible to receive VOCA support must: (1) respond to the emotional, psychological, or physical needs of crime victims, (2) assist victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, or (4) restore a measure of safety and security for the victim. Direct service providers receiving VOCA victim assistance subawards thus may provide a variety of support to victims of crime, to include offering help filing restraining orders, counseling in crises arising from the occurrence of crime, crisis intervention, and emergency shelter.

¹ The CVF is funded under 34 U.S.C. § 20101 through federal criminal fines, penalties, forfeited bail bonds, gifts, donations, deferred prosecution agreements, non-prosecution agreements, and special assessments. The total amount of funds that the OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress.

Finex House

Finex House is a wheelchair-accessible shelter for women and children who have experienced domestic violence throughout the commonwealth of Massachusetts. Finex House was founded in 1983 as a 501(c)(3) non-profit agency to provide shelter and services that include individual advocacy, child or dependent care assistance, interpreter services, crisis intervention, individual and group counseling, and relocation assistance. According to Massachusetts, Finex House has received VOCA funding since the 1980s.

OIG Audit Approach

The objective of this audit was to review how Finex House used the VOCA funds received through subawards from Massachusetts to assist crime victims and assess whether Finex House accounted for VOCA funds in compliance with select award requirements, terms, and conditions. To accomplish this objective, we assessed program performance and accomplishments and financial management.

To gain a further understanding of victim assistance subaward oversight, as well as to evaluate subrecipient performance and administration of VOCA-funded programs, we solicited feedback from Massachusetts officials regarding Finex House's record of delivering crime victim services, accomplishments, and compliance with Massachusetts award requirements.²

We tested compliance with what we considered to be the most important conditions of the subawards. The DOJ Grants Financial Guide; VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Massachusetts guidance; and the award documents contain the primary criteria we applied during this audit. The results of our analysis are discussed in detail in the following sections of this report. Appendix 1 contains additional information on this audit's objective, scope, and methodology.

² As an SAA, Massachusetts is responsible for ensuring that Finex House's subawards are used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. As such, we considered the results of our audit of victim assistance grants awarded to Massachusetts in performing this separate review. See U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Assistance Formula Grants Awarded to the Massachusetts Victim and Witness Assistance Board, Boston, Massachusetts](#), Audit Report GR-70-18-010 (September 2018), oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-1.

Audit Results

Program Performance and Accomplishments

As established by the VOCA legislation, VOCA subawards are available to subrecipients for the purpose of providing direct services to victims. Finex House received its VOCA funding from Massachusetts to provide housing, individual advocacy, child and dependent care assistance, crisis intervention, individual counseling, support groups, and relocation assistance. We obtained an understanding of Finex House's standard operating procedures in relation to the subaward-funded services. We also reviewed evidence of accomplishments to determine whether Finex House demonstrated progress towards providing the services for which it was funded. Overall, we concluded Finex House met or took steps to achieve its goals aimed at improving victim services funded by the audited subawards. However, Finex House lacked comprehensive written program policies and procedures for preparing its performance reports and its approach for prorating performance data was not supported to ensure performance reports were accurate and complete.

Program Implementation

According to the DOJ Grants Financial Guide, recipients of federal awards should maintain a well-designed and tested system of internal controls. The DOJ Grants Financial Guide further defines internal controls as processes designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) the reliability of reporting for internal and external use, and (3) compliance with applicable laws and regulations. In addition, the DOJ Grants Financial Guide states, at a minimum, internal controls should include documented written procedures of the direct recipient or subrecipient.

To obtain an understanding of its standard operating procedures in relation to audited victim services, we conducted interviews with the Executive Director and Team Lead responsible for administering the program and for preparing performance reports. We also interviewed personnel that provided direct services to victims of crime. In addition, we reviewed program policies and procedures, obtained an understanding of Finex House's approach for case management, and attempted to reconcile performance data with Finex House's supporting documentation.

Performance Reporting

Award recipients and subrecipients provide relevant data quarterly to track performance metrics through OVC's Performance Measurement Tool (PMT). The OVC uses PMT data in reports and publications and to respond to inquiries from Congress and other governmental and non-governmental agencies; therefore, it is imperative that grantees and subrecipients make reasonable efforts to report performance data accurately. Massachusetts required its subrecipients to enter performance data directly in its grants management system.

To assess Finex House's provision of services to victims, we reviewed the controls surrounding the reporting of performance data. During the audit, we found Finex House did not have written policies and procedures for preparing its performance reports. We learned that Finex House relies on a manual, paper-based approach to tabulate its metrics and does not have documented controls to ensure the accuracy of the data reported. To test the accuracy of reported information, we selected a sample of five performance metrics from the FY 2024 fourth quarter reporting period and requested that Finex House identify the source

documentation used. Although a Finex House official was able to demonstrate for us which source documents were used to manually count the metrics in our sample, we were not able to independently verify or recalculate four of the five metrics. We discussed this issue with Finex House officials, and they agreed that verification of performance data was not possible under its current process.

Overall, we believe improvements are needed to ensure Finex House memorializes its procedures and controls to provide accurate performance statistics. As a result, we recommend OJP work with Massachusetts to ensure that Finex House develops and implements written programmatic policies and procedures to accurately capture, record, and report performance data.

Prorating Performance

OVC recommends grantees and subrecipients collect data on victims served and services supported through their victim assistance subawards separately from victims served and services provided via other funding sources, such as grants from other federal agencies, foundations, or donations. However, OVC recognizes that in some situations, tracking VOCA-funded activities separately from other activities may not be possible. In these circumstances, the prime grantee (e.g., Massachusetts) should work with subrecipients to apply an appropriate strategy for prorating subrecipient activity so that a reasonable portion is allocated to the victim assistance subaward and reported in PMT. Regardless of the process or prorating method used, OVC encourages both grantees and subrecipients to establish a written procedure outlining how both organizations will handle prorating performance data.

Before submitting its PMT report to OVC, Massachusetts prorated subrecipient performance data to reflect the different sources it used to fund the subawards. Subrecipients are then responsible for prorating data when program services are funded by subawards along with other sources. We determined that Finex House included the same group of individuals in data reported to different funding sources and did not establish or have a formal prorating strategy for allocating a proportionate share of services provided between subawarded funds and its other funding sources. We discussed this issue with Finex House officials, and they acknowledged that program services were funded by multiple sources and that improvements would ensure reported data is attributed to each of these sources.

Without accurate performance reports, Massachusetts and OJP cannot adequately assess the impact grant funds have on serving victims of crime. Therefore, we recommend that OJP work with Massachusetts to ensure that Finex House develops and implements written programmatic policies and procedures for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.

Program Services

According to its subaward documents, the purpose of the subawards was to fund services that included emergency shelter, crisis intervention, individual advocacy, child or dependent care assistance, interpreter services, and counseling. To assess Finex House's provision of services to victims, we interviewed program officials, completed on-site observations, and reviewed relevant documentation of services provided for housing, childcare assistance, interpreter services, and counseling. Based on this work, we concluded that Finex House provided services to victims of crime.

Financial Management

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for awarded funds. Written policies and procedures are essential for the establishment of internal controls, to ensure that those controls are understood and consistently implemented. Management is responsible for the design and implementation of these policies and procedures.

As part of our audit work, we interviewed relevant Finex House fiscal staff, examined fiscal policies and procedures, reviewed subaward documents, and examined a sample of expenditures to determine whether Finex House adequately accounted for the subaward funds we audited. Overall, our audit concluded that the tested Finex House subaward expenditures were generally allowable and supported, however we identified concerns with Finex House's financial management, including inadequate accounting system utilization and a lack of clear fiscal policies and controls for its reimbursement request process, timesheets, and overtime.

Subaward Expenditures

Finex House requested reimbursement from Massachusetts via its online grant management system. For the subawards we audited, Finex House's approved budget included personnel and fringe benefits (e.g., payroll taxes and employee healthcare costs). As of February 2025, we found that Massachusetts paid a total of \$460,000 to Finex House with VOCA funds for costs incurred in these areas.³ We tested all expenditures for the March and May 2024 reimbursements, totaling \$89,387, to determine whether the costs charged to the project and paid with VOCA funds were accurate, allowable, supported, and in accordance with the VOCA program requirements. We determined that the transactions we tested were allowable and adequately supported.

Financial Management System

According to the Uniform Guidance, the financial management system of each non-federal entity must provide identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received. Furthermore, records must identify the amount, source, and expenditure of federal funds for federal awards and contain information necessary to identify federal awards, authorizations, financial obligations, unobligated balances, as well as assets, expenditures, income, and interest. The DOJ Grants Financial Guide also states that the accounting system should be able to account for award funds separately (by federal award).

Tracking Federal Expenditures Separately

Finex House used commercial software to manage its subaward funds. Based on our review, we determined that Finex House did not record expenditures separately by funding source in its accounting system or other supplemental records. Finex House recorded payroll taxes and some health care costs in general ledger accounts that included costs for multiple employees, including the portion reimbursed by Massachusetts for VOCA-funded employees. According to Finex House officials, they did not know how to split expenditures among multiple projects in its accounting system. Based on our review of Finex House's accounting system records and reimbursements, we determined with reasonable assurance that Finex House's procedures and the limited expenditure categories funded under the Massachusetts subawards were adequate to ensure

³ Finex House received a match waiver for the 2024 and 2025 subawards.

expenditures reimbursed were not duplicated under other programs. However, the accounting system, as designed, was not adequate to track expenditures separately by each federal grant program.

We determined that compliance with these accounting system requirements was particularly important because Massachusetts funded Finex House's 2025 subaward from two different sources including VOCA and ARPA funds. The VOCA funds totaled \$87,009 of the total \$437,009 for the 2025 subaward. This information was communicated to Finex House in the subaward documents. At the time of our audit, Massachusetts had reimbursed Finex House using only the ARPA funds. However, Finex House's accounting system as designed was not adequate to ensure that the VOCA and ARPA funds were tracked separately in accordance with the Uniform Guidance. Therefore, we recommend OJP work with Massachusetts to ensure Finex House enhances its financial management system to ensure it establishes necessary controls and processes that separately account for federal award funds.

Unique Username and Passwords

According to the Uniform Guidance, recipients and subrecipients must establish, document, and maintain effective internal controls over the federal award. During our audit, we found that Finex House did not implement unique usernames and passwords for each employee permitted to access its accounting system. We also found that transactions were processed with two generic usernames instead of unique usernames with passwords managed and maintained by each user. For example, Finex House used an "Admin" account to record all expenditures for its FY 2024. Finex House officials stated that there are only a few users who access the system, which can only be accessed on-site. We informed Finex House of this issue and the increased risk of fraud that could result if transactions cannot be attributed to specific users. Finex House acknowledged the risk created from multiple users accessing the system with the same user account.

We believe that enhancing its accounting system to ensure transactions are recorded using a unique username and password is critical to ensure federal funds are properly safeguarded. As a result, we recommend OJP work with Massachusetts to ensure Finex House enhances its financial management system to ensure it establishes unique user accounts.

Fiscal Policies and Controls

Finex House has general fiscal policies and procedures. However, we determined that Finex House did not have adequate processes that are critical to subaward administration. Specifically, we determined Finex House lacked written policies and procedures for preparing reimbursement requests for VOCA subaward activity, its timecards did not include required information, and its overtime approval process was unclear.

Reimbursement Request Process

Massachusetts required its subrecipients to request reimbursements using expenditure reports submitted to its online grant management system. The expenditure reports include a list of expenditures by line item and the total dollar amount for each subaward budget category. Finex House calculated each line item of reimbursement request by reviewing payroll records and fringe benefit invoices and tabulating line-item amounts using intermediate calculations that were not documented.

Although Finex House's reimbursements were not complex and we could trace the reimbursed amounts to the source documents, we determined that Finex House's process should be documented in written policies

and procedures to ensure Finex House's reimbursement requests are accurate and supported. Based on our assessment, we determined that documenting the expenditure report preparation process is critical to ensuring that Finex House manages its federal subawards in accordance with the Uniform Guidance. Therefore, we recommend OJP work with Massachusetts to ensure Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.

Payroll - Timesheets

According to Uniform Guidance, subrecipients are required to support the distribution of an employee's salary or wages among specific activities or cost objectives if the employee's work fits into one of several categories. The OVC supplemented these requirements with its Time and Effort Best Practices for VOCA-Funded Personnel by recommending employee timesheets or time and effort reports which show hours worked per day and per pay period. Employees whose job duties consist of only VOCA-allowable activities would have the ability to record hours not to be reimbursed by the VOCA award when completing ad hoc activities not permitted under the award.

Based on our review of Finex House's timesheets, we determined that Finex House's supporting documentation provided adequate evidence of employee time dedicated to VOCA subaward activities. However, we identified deficiencies associated with other aspects of Finex House's internal controls overtime reporting. Specifically, Finex House's timesheets included supervisor signatures but did not include a space for supervisors to record the date of their review. Additionally, the timesheets did not include adequate details regarding the total activity for which the employee was paid such as compensated absences (e.g., vacation and sick time) or time spent on activities that are not eligible to be funded under VOCA. Further, Finex House did not have guidance on what activities were not allowable to be reimbursed with VOCA funds, and during our review we identified an instance in which an employee attended a fundraising event during work hours and this time was reimbursed with VOCA funds. Although we found the amount to be immaterial, this example demonstrated the need for Finex House to enhance its time reporting controls. Therefore, we recommend OJP work with Massachusetts to ensure Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.

Overtime Policy

According to Finex House's policy, "all overtime work performed must receive a supervisor's prior authorization." Based on our review of payroll records, we found that three employees were compensated for overtime hours. We requested copies of the monthly schedules and any written documentation demonstrating that the overtime hours were pre-authorized. Although we determined that the overtime hours were reasonable and documented in the timesheets, Finex House was not able to provide records demonstrating that these hours were pre-authorized. According to Finex House officials, overtime compensation was approved by the Executive Director during the final review of the timesheets. In addition, according to Finex House officials pre-authorization was given informally and not always documented due to the dynamic nature of the work. We determined that this after-the-fact approval of overtime hours does not demonstrate that overtime was pre-authorized. We believe that clarifying Finex House's overtime policy will ensure that it complies with applicable requirements.

As a result, we recommend OJP work with Massachusetts to ensure Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.

Conclusion and Recommendations

As a result of our audit testing, we concluded that Finex House provided support and assistance to victims of domestic violence in Massachusetts. However, we found that Finex House should enhance its accounting system utilization and subaward programmatic and financial policies and procedures to help ensure compliance with VOCA Guidelines and DOJ Grants Financial Guide requirements. We provide five recommendations to OJP to work with Massachusetts to address these deficiencies.

We recommend that OJP work with Massachusetts to:

1. Ensure that Finex House develops and implements written program policies and procedures: (1) to accurately capture, record, and report performance data, and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.
2. Ensure that Finex House enhances its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds, and (2) unique user accounts.
3. Ensure that Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.
4. Ensure Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.
5. Ensure Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.

APPENDIX 1: Objective, Scope, and Methodology

Objective

The objective of this audit was to review how Finex House, Inc. (Finex House) used the Victims of Crime Act (VOCA) funds received through a subaward from Massachusetts Office for Victim Assistance (Massachusetts) to assist crime victims and assess whether it accounted for VOCA funds in compliance with select award requirements, terms, and conditions. To accomplish this objective, we assessed program performance and accomplishments and grant financial management.

Scope and Methodology

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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

This was an audit of two subawards to Finex House. These subawards, totaling \$547,019 in VOCA funds, were funded by Massachusetts from primary VOCA grants 2020-V2-GX-0027 and 15POVC-21-GG-00629-ASSI awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). As of August 2024, Massachusetts had reimbursed Finex House \$460,000 in subaward funds.

Our audit concentrated on, but was not limited to, the period of July 1, 2023, to May 12, 2025. The Department of Justice (DOJ) Grants Financial Guide; the VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Massachusetts guidance; and the Massachusetts subaward documents contain the primary criteria we applied during the audit.

To accomplish our objective, we tested compliance with what we considered to be the most important conditions of Finex House's activities related to the audited subawards. Our work included conducting interviews with Finex House personnel, examining policies and procedures, and reviewing subaward documentation, financial, and performance records. We performed sample-based audit testing for subaward expenditures for personnel and fringe benefits. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the subawards reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

During our audit, we obtained information from Massachusetts grants management system and Finex House's accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of Finex House to provide assurance on its internal control structure as a whole. Finex House management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. § 200. Because we do not express an opinion on Finex House's internal control structure as a whole, we offer this statement solely for the information and use of Finex House, Massachusetts, and DOJ.⁴

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we assessed the design and implementation of Finex House's policies and procedures. We also tested the implementation and operating effectiveness of specific controls over award execution and compliance with laws and regulations in our audit scope. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objective of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

⁴ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: Finex House Response to the Draft Audit Report



June 12, 2025

Thomas O. Puerzer
Regional Audit Manager
US Department of Justice
Office of the Inspector General
Philadelphia Regional Audit Office
701 Market St Suite 2300 Philadelphia, PA 19106

Dear Thomas O. Puerzer:

Finex House received and read the draft report Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Massachusetts Office for Victim Assistance to Finex House, Inc., Boston Massachusetts.

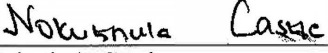
1. OJP works with Massachusetts to ensure that Finex House develops and implements written program policies and procedures: (1) to accurately capture, record, and report performance data, and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.
Finex House AGREES/ with this recommendation.
2. OJP works with Massachusetts to ensure that Finex House enhances its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds, and (2) unique user accounts.
Finex House AGREES with this recommendation.
3. OJP works with Massachusetts to ensure that Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.
Finex House AGREES with this recommendation.
4. OJP works with Massachusetts to ensure Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.
Finex House AGREES with this recommendation.
5. OJP works with Massachusetts to ensure Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.
Finex House AGREES with this recommendation.

Po Box 300679 Jamaica Plain MA 02130 617-436-2002 finexhouse@yahoo.com
Visit us: Finexhouse.org fax:617-2881923

Please let me know if you have any questions

Sincerely,

 June 12, 2025
Chris Womendez Date
Executive Director

 June 12, 2025
Nokuthula Castle Date
Deputy Executive Director

Po Box 300679 Jamaica Plain MA 02130 617-436-2002 finexhouse@yahoo.com

Visit us: Finexhouse.org fax:617-2881923

APPENDIX 3: Massachusetts Office for Victim Assistance Response to the Draft Audit Report



One Ashburton Place, Suite 1310
Boston, Massachusetts 02108
T 617.586.1340 F 617.742.6262
mova@mass.gov www.mass.gov/mova

June 13, 2025

Thomas O. Puerzer
Regional Audit Manager
Department of Justice
Office of the Inspector General
Philadelphia Regional Audit Office

Thomas O. Puerzer:

The Massachusetts Office for Victim Assistance (MOVA) has received and read the draft audit report from the U.S. Department of Justice (DOJ), Office of the Inspector General (OIG) Philadelphia Regional Audit Office, dated May 20, 2025. MOVA serves as the state administering agency (SAA) for the Commonwealth of Massachusetts Victims of Crime Act (VOCA) Victim Assistance Funds awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). The draft audit report in reference is regarding an audit of VOCA Victim Assistance Funds subawarded to Finex House, Inc. (Finex House) by MOVA. Two subawards received by Finex House were included within the review: one awarded in July 2023 for state fiscal year 2024 (SAA Sub-award Identifier: VOCA2024FINX, OJP Prime Award Number: 2020-V2-GX-0027) and one in July 2024 for state fiscal year 2025 (SAA Sub-award Identifier: VSS2025FINX, OJP Prime Award Number: 15POVC-21-GG-00629- ASSI).

MOVA's response to the five draft audit report recommendations is as follows:

Recommendation #1: Ensure that Finex House develops and implements written program policies and procedures: (1) to accurately capture, record, and report performance data, and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.

MOVA agrees with this recommendation. MOVA will work with Finex House to respond to the recommendation by supporting the development of written program policies and procedures that accurately outline processes for Finex House staff to capture, record, prorate, and report program performance data. Documented policies and procedures will aim to be finalized by Finex House and approved by MOVA within 180 days of this response. MOVA will work with Finex House to ensure necessary staff are trained on these policies and procedures upon completion.

Recommendation #2: Ensure that Finex House enhances its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds, and (2) unique user accounts.

MOVA agrees with this recommendation and will work with Finex House to enhance their financial management system. Expected enhancements will include the implementation of processes to separately account for federal award funds and the establishment of unique user accounts for each staff member with access to financial systems to further safeguard the use and tracking of federal funds. Finex House will document enhancements to their financial management system that accomplish the above recommendations and MOVA will aim to review and approve these enhancements within 180 days of this response. During this timeframe, MOVA will monitor progress and provide technical assistance as needed.

Recommendation #3: Ensure that Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.

MOVA agrees with this recommendation and will support Finex House in their development of written fiscal policies and procedures that outline the reimbursement request process to ensure reimbursement requests are accurate and supported. MOVA will review the policies and procedures for accuracy and the inclusion of information to adequately document the process, including responsibilities, timelines, required documentation, and review procedures for accuracy and consistency. MOVA will monitor progress and provide technical assistance as needed. Finalized policies and procedures will aim to be completed and implemented within 180 days of this response.

Recommendation #4: Ensure Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.

MOVA agrees with this recommendation. To address this, MOVA will support Finex House in the revision of its employee time reporting process to include date of supervisor's review, to record adequate details regarding total activity and compensable time for which the employee was paid, and to include the ability to describe employee activities to ensure allowability or identify time or activities not reimbursable with VOCA grant funding. Within 180 days of this response, MOVA will aim to review and approve Finex House's amendments to time reporting processes which must address each of these items. During this timeframe, MOVA will monitor progress and provide technical assistance as needed.

Recommendation #5: Ensure Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.

MOVA agrees with this recommendation and will work with Finex House to strengthen existing written policies and procedures regarding overtime. These enhancements will include clear procedures for employees and supervisors about the process and requirements for requesting and approving overtime, including prior authorization of overtime. Amendments to Finex House's existing policies and procedures will aim to be completed, approved by MOVA, and implemented within 180 days of this response. During this timeframe, MOVA will monitor progress and provide technical assistance as needed.

MOVA thanks the DOJ OIG Philadelphia Regional Audit Office for their thoughtful review of the Victim Assistance Funds subawarded to Finex House and for the opportunity to strengthen the recommended policies, procedures, and practices.

Sincerely,



Liam T. Lowney, Executive Director

CC:

Melonie Threatt
Acting Team Leader
Audit Coordination Branch
Audit and Review Division
Office of Audit, Assessment, and Management
Office of Justice Programs

Madeleine Gorman
Deputy Chief of Staff
Massachusetts Office for Victim Assistance

Kristin Nguyen
Director of Grants Administration
Massachusetts Office for Victim Assistance

Chris Womendez
Executive Director
Finex House

APPENDIX 4: The Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

June 20, 2025

MEMORANDUM TO: Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General

FROM: Iyauta I. Green
Director **Iyauta Iyeesha Green** Digitally signed by Iyauta Iyeesha Green
Date: 2025.06.20 11:09:48 -04'00'

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds, Subawarded by the Massachusetts Office for Victim Assistance to Finex House, Inc. Boston, Massachusetts*

This memorandum is in reference to your correspondence, dated May 20, 2025, transmitting the above-referenced draft audit report for Finex House. Finex House received sub-award funds from the Massachusetts Office for Victim Assistance (MOVA), under the Office of Justice Programs' (OJP), Victims of Crime Act (VOCA), Victim Assistance Formula Grant Program, Grant Numbers 2020-V2-GX-0027, and 15POVC-21-GG-00629-ASSI. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **five** recommendations and **no** questioned costs. The following is OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by OJP's response.

- 1. We recommend that OJP work with MOVA to ensure that Finex House develops and implements written program policies and procedures: (1) to accurately capture, record, and report performance data; and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.**

OJP agrees with this recommendation. In its response, dated June 13, 2025, MOVA stated that it will work with Finex House to ensure the development of written program policies and procedures that accurately outline processes for Finex House staff to capture, record, prorate, and report program performance data.

Accordingly, we will coordinate with MOVA to obtain a copy of Finex House's written policies and procedures, developed and implemented to: (1) accurately capture, record, and report performance data; and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.

2. **We recommend that OJP work with MOVA to ensure that Finex House enhances its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds; and (2) unique user accounts.**

OJP agrees with this recommendation. In its response, dated June 13, 2025, MOVA stated that it will work with Finex House to ensure they enhance their financial management system. In addition, MOVA stated that expected enhancements will include the implementation of processes to separately account for federal award funds and the establishment of unique user accounts for each staff member with access to financial systems to further safeguard the use and tracking of federal funds.

Accordingly, we will coordinate with MOVA to obtain documentation to support that Finex House has enhanced its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds; and (2) unique user accounts.

3. **We recommend that OJP work with MOVA to ensure that Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.**

OJP agrees with this recommendation. In its response, dated June 13, 2025, MOVA stated that it will support Finex House in their development of written fiscal policies and procedures that outline the reimbursement request process to ensure reimbursement requests are accurate and supported. MOVA will review the policies and procedures for accuracy and the inclusion of information to adequately document the process, including responsibilities, timelines, required documentation, and review procedures for accuracy and consistency.

Accordingly, we will coordinate with MOVA to obtain a copy of Finex House's written policies and procedures, developed and implemented, to ensure that Finex House documents its reimbursement request process.

4. **We recommend that OJP work with MOVA to ensure that Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.**

OJP agrees with this recommendation. In its response, dated June 13, 2025, MOVA stated that it will support Finex House in the revision of its employee time reporting process to include the date of supervisor's review, to record adequate details regarding total activity and compensable time for which the employee was paid, and to include the ability to describe employee activities to ensure allowability or identify time or activities not reimbursable with VOCA grant funding.

Accordingly, we will coordinate with MOVA to obtain a copy of Finex House's written policies and procedures, developed and implemented, to ensure that time reporting controls are enhanced to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.

5. We recommend that OJP work with MOVA to ensure that Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.

OJP agrees with this recommendation. In its response, dated June 13, 2025, MOVA stated that it will work with Finex House to strengthen existing written policies and procedures regarding overtime. In addition, MOVA stated that these enhancements will include clear procedures for employees and supervisors about the process and requirements for requesting and approving overtime, including prior authorization of overtime.

Accordingly, we will coordinate with MOVA to obtain a copy of Finex House's written policies and procedures, developed and implemented, to clarify the requirements for prior authorization of overtime.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Michael Freed, Acting Deputy Director, Audit and Review Division, of my staff, at (202) 598-7964.

cc: Maureen A. Henneberg
Deputy Assistant Attorney General

LeToya A. Johnson
Senior Advisor
Office of the Assistant Attorney General

Michael Freed
Acting Deputy Director
Audit and Review Division
Office of Audit, Assessment, and Management

Katherine Darke Schmitt
Acting Director
Office for Victims of Crime

James Simonson
Director of Operations, Operations, Budget, and
Performance Management Division
Office for Victims of Crime

cc: Jeffrey Nelson
Deputy Director of Operations, Budget, and
Performance Management Division
Office for Victims of Crime

Willie Bronson
Director, State Victim Resource Division
Office for Victims of Crime

Joel Hall
Associate Director, State Victim Resource Division
Office for Victims of Crime

Elizabeth Flowers
Grant Management Specialist
Office for Victims of Crime

Nathanial Kenser
Acting Deputy General Counsel

Phillip Merkle
Acting Director
Office of Communications

Rachel Johnson
Chief Financial Officer

Christal McNeil-Wright
Associate Chief Financial Officer
Grants Financial Management Division
Office of the Chief Financial Officer

Joanne M. Suttington
Associate Chief Financial Officer
Finance, Accounting, and Analysis Division
Office of the Chief Financial Officer

Aida Brumme
Manager, Evaluation and Oversight Branch
Grants Financial Management Division
Office of the Chief Financial Officer

Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

cc: Jorge L. Sosa
Director, Office of Operations – Audit Division
Office of the Inspector General

OJP Executive Secretariat
Control Number OCOM001518

APPENDIX 5: Office of the Inspector General Analysis and Summary of Action Necessary to Close the Audit Report

The Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP), Massachusetts Office for Victim Assistance (Massachusetts), and Finex House, Inc. (Finex House). OJP's response is incorporated in Appendix 4, Massachusetts's response is incorporated in Appendix 3, and Finex House's response is incorporated in Appendix 2 of this final report. In response to our draft audit report, OJP agreed with our recommendations and, as a result, the status of the audit report is resolved. Both Massachusetts and Finex House agreed with the five recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for OJP work with Massachusetts to:

- 1. Ensure that Finex House develops and implements written program policies and procedures: (1) to accurately capture, record, and report performance data, and (2) for prorating performance data to ensure Victims of Crime Act (VOCA)-funded program performance reports are supported and accurate.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Massachusetts to obtain a copy of Finex House's written policies and procedures, developed and implemented: (1) to accurately capture, record, and report performance data; and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate. As a result, this recommendation is resolved.

Finex House and Massachusetts agreed with the recommendation. Massachusetts stated that it will work with Finex House to respond to the recommendation by supporting the development of written program policies and procedures that accurately outline processes for Finex House staff to capture, record, prorate, and report performance data. Massachusetts stated further that it will work with Finex House to ensure staff are trained on these policies and procedures upon completion, which it planned to have completed by Finex House and reviewed by Massachusetts within 180 days of its response.

This recommendation can be closed when we receive documentation demonstrating that Finex House developed and implemented written program policies and procedures: (1) to accurately capture, record, and report performance data, and (2) for prorating performance data to ensure VOCA-funded program performance reports are supported and accurate.

- 2. Ensure that Finex House enhances its financial management system to ensure it establishes: (1) necessary controls and processes that separately account for federal award funds, and (2) unique user accounts.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Massachusetts to obtain documentation that Finex House has enhanced its financial management system controls to ensure it establishes: (1) necessary controls and processes to separately account for federal award funds, and (2) unique user accounts. As a result, this recommendation is resolved.

Finex House and Massachusetts agreed with the recommendation. Massachusetts stated that it will work with Finex House to enhance their financial management system. Massachusetts stated that the expected enhancements will include the implementation of processes to separately account for federal award funds and the establishment of unique user accounts for each staff member with access to financial systems to further safeguard the use and tracking of federal funds. Massachusetts stated further that Finex House will document enhancements to its financial management system and Massachusetts aims to review these enhancements within 180 days of its response, in addition to monitoring Finex House's progress and provide technical assistance as needed.

This recommendation can be closed when we receive documentation demonstrating that Finex House enhanced its financial management system by establishing: (1) necessary controls and processes that separately account for federal award funds, and (2) unique user accounts.

3. Ensure that Finex House develops and implements written fiscal policies and procedures to document its reimbursement request process.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Massachusetts to obtain a copy of Finex House's written fiscal policies and procedures, developed and implemented, to document its reimbursement request process. As a result, this recommendation is resolved.

Finex House and Massachusetts agreed with the recommendation and stated that it will support Finex House in their development of written fiscal policies and procedures that outline the reimbursement process to ensure reimbursement requests are accurate and supported. Massachusetts stated that it would review the policies and procedures for accuracy and the inclusion of information to adequately document the process, including responsibilities, timelines, required documentation, and review procedures for accuracy and consistency. Massachusetts stated further that it will monitor Finex House's progress and provide technical assistance as needed, and finalized policies and procedures are expected to be completed and implemented within 180 days.

This recommendation can be closed when we receive documentation that Finex House developed and implemented written fiscal policies and procedures to document its reimbursement request process.

4. Ensure Finex House enhances its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Massachusetts to obtain a copy of Finex House's written policies and procedures, developed and implemented, to ensure that time reporting controls are enhanced to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding. As a result, this recommendation is resolved.

Finex House and Massachusetts agreed with the recommendation and stated that it will support Finex House in the revision of its employee time reporting process. Massachusetts stated that these revisions would include the date of supervisor's review, adequate details regarding total activity and compensable time for which the employee was paid, and the ability to describe employee activities to ensure allowability or identify time or activities not reimbursed with VOCA funding. Massachusetts stated further that it will monitor Finex House's progress and provide technical assistance as needed, and finalized policies and procedures are expected to be completed and implemented within 180 days.

This recommendation can be closed when we receive documentation demonstrating that Finex House enhanced its time reporting controls to document the date of supervisory review, record all compensable time, and clearly define what activities are reimbursable with VOCA funding.

5. Ensure Finex House enhances its existing written policies and procedures to clarify the requirements for prior authorization of overtime.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Massachusetts to obtain a copy of Finex House's written policies, developed and implemented, to clarify the requirements for prior authorization of overtime. As a result, this recommendation is resolved.

Finex House and Massachusetts agreed with the recommendation and stated that it will work with Finex House to strengthen existing written policies and procedures regarding overtime. These enhancements will include clear procedures for employees and supervisors about the process and requirements for requesting and approving overtime, including prior authorization of overtime. Massachusetts stated further that it will monitor Finex House's progress and provide technical assistance as needed, and finalized policies and procedures are expected to be completed and implemented within 180 days.

This recommendation can be closed when we receive documentation demonstrating that Finex House enhanced its existing written policies and procedures to clarify the requirements for prior authorization of overtime.