



Audit of the Office of Justice Programs
Victim Assistance Funds Subawarded by the
Virginia Department of Criminal Justice Services to the
Virginia Department of Social Services,
Glen Allen, Virginia



AUDIT DIVISION

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A redaction was made to the full version of this report for proprietary/commercial reasons. The redaction is contained only in Appendix 3, the grantee's response, and is the name of a product.



EXECUTIVE SUMMARY

Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Virginia Department of Criminal Justice Services to the Virginia Department of Social Services, Glen Allen, Virginia

Objective

The audit objective was to evaluate how the Virginia Department of Social Services (VDSS) distributed and administered victim assistance funds to assist crime victims. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning requirements and performance reporting and (2) monitoring of subrecipients.

Results in Brief

Our audit concluded that VDSS as a pass-through entity, established a subaward allocation process, generally communicated applicable Victims of Crime Act (VOCA) requirements, and used its victim assistance funds to enhance victim services through multiple Virginia-based Child Advocacy Centers (CAC). However, we identified areas of improvement related to its subrecipient financial and performance monitoring. Specifically, VDSS's reimbursement process to the CACs did not ensure subrecipients separately accounted for expenditures by funding source. Also, VDSS needs to enhance its written monitoring policies and procedures to ensure regular desk monitoring is conducted and performance data is reviewed. As a result of these and other deficiencies, we questioned \$100,983, consisting of \$91,918 in unallowable costs and \$9,065 in unsupported costs.

Recommendations

Our report contains eight recommendations for the Office of Justice Programs (OJP) to work with the Virginia Department of Criminal Justice Services (DCJS) to assist VDSS in improving its grant management and administration and to remedy \$100,983 in questioned costs. We requested a response to our draft report from VDSS, DCJS, and OJP, which can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

Audit Results

The U.S. Department of Justice Office of the Inspector General audited OJP victim assistance funds subawarded by DCJS to VDSS in Glen Allen, Virginia. In 2022 and 2023, DCJS awarded \$8,418,106 to VDSS under two subawards to enhance crime victim services for victims of child abuse and neglect. As of December 2025, DCJS reimbursed to VDSS a cumulative amount of \$8,268,625 for the subawards we audited.

Program Accomplishments

We determined that VDSS used the audited 2023 and 2024 subawards to fund 19 CACs to provide services like forensic interviews, victim support and advocacy, medical evaluations, and counseling.

Pass-through Entity Activities

We found that VDSS needs to enhance its monitoring policies and procedures to include a process to conduct regular desk monitoring of the CACs.

We also identified weaknesses in VDSS's monitoring of CACs' costs charged to the VOCA subawards. Specifically, we found that to reimburse the CACs, VDSS was allocating the CACs expenditures among three funding sources, which impacted the CACs ability to track multiple funding sources separately. In addition, we found that the percentage applied by VDSS when reimbursing the CACs for the 2024 subawards was incorrect, resulting in \$91,918 in unallowable costs. Additionally, for the 2023 subaward, we questioned \$9,065 in unsupported costs for personnel charges that were based on estimates rather than actual amounts.

We also found that VDSS did not verify that performance data was accurate or ensure CACs prorated performance data to reflect only VOCA-funded activity.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) audited victim assistance funds received by the Virginia Department of Social Services (VDSS), in Glen Allen, Virginia. The Office of Justice Programs (OJP), Office for Victims of Crime (OVC), provided these funds to the Virginia Department of Criminal Justice Services (DCJS), which serves as the state administering agency (SAA) for the Commonwealth of Virginia and makes subawards to direct service providers and pass-through entities.¹ Both DCJS and VDSS are components of the Commonwealth of Virginia. As a pass-through entity, VDSS received two subawards from the DCJS totaling \$8,418,106 in June 2022 and 2023. These funds originated from DCJS's federal grants for fiscal years (FY) 2021 and 2022, as shown in Table 1.

Table 1

Audited Subawards to VDSS from DCJS

Subaward Number	OJP Prime Award Number	Subaward Date	Subaward Period Start Date	Subaward Period End Date	Total Subaward Amount
496279 (2023 subaward)	15POVC-21-GG-00602-ASSI	06/24/2022	07/01/2022	06/30/2023	\$4,430,582
513502 (2024 subaward)	15POVC-21-GG-00602-ASSI 15POVC-22-GG-00681-ASSI	06/15/2023	07/01/2023	06/30/2024	\$937,478 \$3,050,046
Total					\$8,418,106

Source: DCJS

Established by the Victims of Crime Act (VOCA) of 1984, the Crime Victims Fund (CVF) supports crime victims through DOJ programs and state and local victim services.² Beginning in FY 2015, Congress significantly raised the cap on CVF disbursements from prior years, which increased funding for victim assistance grants from \$456 million in 2014 to a high of \$3 billion in 2018. Since 2018, the cap has decreased along with deposits into CVF, with the most recent cap set at \$1.9 billion for FY 2025. The OVC allocates the annual victim assistance program awards based on the amount available for victim assistance each year and the states' population. As such, the annual VOCA victim assistance grant funds available to Virginia have decreased since 2021.

¹ According to 2 C.F.R. § 200.1, a pass-through entity is a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

² The VOCA victim assistance formula program is funded under 34 U.S.C. § 20103 through federal criminal fines, penalties, forfeited bail bonds, gifts, donations, deferred prosecution agreements, and 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.

VOCA victim assistance grant funds support the provision of direct services—such as crisis intervention, assistance filing restraining orders, counseling in crises arising from the occurrence of crime, and emergency shelter—to victims of crime. The OVC distributes these assistance grants to states and territories, which in turn fund subawards to public and private nonprofit organizations that directly provide the services to victims. Eligible services are efforts that: (1) respond to the emotional and 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, and (4) provide victims of crime with a measure of safety and security.

Virginia Department of Social Services

As a pass-through entity, VDSS administers a portion of the VOCA victim assistance programs for the SAA. VDSS oversees VOCA funding to 19 Child Advocacy Centers (CAC) specializing in services for victims of child abuse and neglect. CACs consist of multi-disciplinary teams of law enforcement, child protective services, and mental health professionals who coordinate investigations and support services. All CAC sites are approved by national and state accrediting organizations to provide comprehensive services, including forensic interviews, medical evaluations, advocacy, counseling, and various therapies.³

OIG Audit Approach

Our audit objective was to evaluate how VDSS distributed and administered VOCA funding to assist crime victims. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning requirements and performance reporting and (2) monitoring of subrecipients.

We tested compliance with what we considered the most important conditions of the subawards. Unless otherwise stated in our report, we applied the authorizing VOCA legislation, the VOCA victim assistance program guidelines and Final Rule (VOCA Guidelines); 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and the DOJ Grants Financial Guide as our primary criteria. We also reviewed relevant DCJS and VDSS policy and procedures and interviewed VDSS personnel to determine how they administered the VOCA funds.⁴ We also obtained and reviewed VDSS and CAC records reflecting subaward activity.

The following sections of this report detail the results of our analysis. Appendix 1 contains additional information on this audit's objective, scope, and methodology. Appendix 2 presents the audit's Schedule of Dollar-Related Findings.

³ The state accredited organization has members dedicated to helping communities respond to child abuse in a trauma-informed, evidence-based way by providing support, technical assistance, and training for Virginia's CACs.

⁴ As an SAA, DCJS is responsible for ensuring that subawards are used for authorized purposes, in compliance with federal statutes, regulations, and the subaward terms and conditions; and that subaward performance goals are achieved. As such, we considered the results of our prior audit of victim assistance grants awarded to Virginia in performing this separate review. See U.S. Department of Justice Office of the Inspector General [Audit of the Office of Justice Programs Victim Assistance Grants Awarded to the Virginia Department of Criminal Justice Services, Richmond, Virginia](#), Audit Report 20-100 (September 2020), oig.justice.gov/reports/audit-office-justice-programs-victim-assistance-grants-awarded-virginia-department-criminal.

Audit Results

Pass-Through Entity Activities

The VOCA Guidelines permit SAAs to: (1) administer VOCA funds themselves or (2) engage a pass-through entity to administer funds and make determinations regarding award distribution. DCJS used VDSS as a pass-through entity to administer and further subaward VOCA funds. Our audit reviewed VDSS's victim assistance subaward allocation process and its communication of VOCA requirements to subrecipients. As discussed below, we found that VDSS distributed funds to address the needs of child abuse and neglect victims, established an adequate subaward allocation process, and generally communicated applicable VOCA requirements to the CACs.

Subaward Allocation Process

VDSS used a non-competitive process to allocate VOCA funds to the CACs. To understand how VDSS subawarded VOCA funds, we met with VDSS officials and requested written policies and procedures. VDSS stated that the state accrediting organization used a formula approved by the 2015 Virginia General Assembly (2015 GA Formula) to determine the CACs' award amounts from various funding sources. The formula considers factors such as accreditation status with a national accrediting organization, child abuse rates, child population, and the number of counties and cities served. VDSS provided written guidance on how to apply the 2015 GA Formula and the funding allocation template.

VDSS subawarded VOCA and state funds (e.g., General Fund (GF) and Temporary Assistance for Needy Families (TANF)) to 19 CACs across Virginia. In addition to the subaward package, VDSS provided a Child Advocacy Center Funding Summary, identifying the distribution of funding sources and corresponding award amounts for each subrecipient CAC, as required by the Uniform Guidance. We found the guidance and procedures adequate for the subaward allocation process.

Subaward Requirements

According to the Uniform Guidance, pass-through entities must include all subaward requirements, including those imposed by federal statutes, regulations, and applicable federal award terms and conditions. We met with VDSS officials and reviewed the CAC subaward packages along with other award documents to determine how VDSS communicated VOCA-specific and other relevant subaward requirements to the CACs. We found that VDSS conveyed to the CACs federal requirements, including eligible program areas, funding information, restrictions on use of funds, and reporting.

Monitoring of Subrecipients

According to the VOCA Guidelines, SAAs that opt to use a pass-through entity shall ensure an effective system of monitoring subawards is used. The DOJ Grants Financial Guide also states that the purpose of subrecipient monitoring is to ensure that subrecipients: (1) use grant funds for authorized purposes; (2) comply with the federal program and grant requirements, laws, and regulations; and (3) achieve subaward performance goals. As a pass-through entity, VDSS must develop policies and procedures to monitor the CACs. To assess the adequacy of VDSS's monitoring process, we interviewed VDSS personnel, reviewed VDSS monitoring procedures, and obtained records of interactions between VDSS and the CACs.

According to VDSS policy, subrecipient risk assessments are conducted based on either a manual risk assessment or risk rating averages, alternated annually.⁵ The determining factors of a risk assessment include subrecipients' prior experience, financial data reviews, history of performance, and last subrecipient monitoring visit, among others. The assigned level of risk (low, medium, high) will determine the monitoring schedule. For example, a high-risk CAC will have a site visit scheduled sooner in the subaward cycle. During the on-site visit, VDSS will review budgets, invoices, validate expenditures, and meet with subrecipient staff to discuss program successes and challenges.⁶ Our review found that VDSS developed and implemented a risk assessment to inform its monitoring plan and adhered to its on-site monitoring schedule.

As discussed below, we found that VDSS should enhance its monitoring policies and procedures to ensure that: (1) regular desk monitoring is conducted, (2) controls are implemented to ensure subrecipient CACs are separately tracking funding sources, and (3) verification procedures are included for subrecipient-reported performance data.

Additionally and as described in detail below, we found that deficiencies in VDSS monitoring that revealed VDSS did not: (1) correctly calculate payment amounts during the reimbursement process, resulting in unallowable costs of \$91,918, (2) have controls in place to verify salary charges made to the subawards were based on actual amounts, resulting in unsupported costs of \$9,065, and (3) have procedures in place to review and monitor single audit findings pursuant to the Single Audit Act. Finally, we found that VDSS did not always ensure subrecipient CACs submitted accurate performance data into the Performance Measurement Tool (PMT) and it did not require CACs to prorate performance data for VOCA-funded activities.

Monitoring Type and Frequency

According to the VOCA Guidelines, SAAs must conduct regular desk monitoring and on-site monitoring of all subrecipients at least once every 2 years during the award period, unless a different frequency based on risk assessment is established in the pass-through monitoring plan. VDSS had a risk assessment process and established a different monitoring frequency of one on-site visit at least every 3 years.

VDSS's monitoring policies and procedures included a definition on desk and on-site reviews; however, it did not specify a process for regular desk monitoring as required by VOCA Guidelines. VDSS stated it was unaware of the requirement to conduct regular desk monitoring and believed it was compliant. Further, VDSS stated that it conducted technical assistance and engaged with the CACs as needed. VDSS also stated that desk and on-site reviews were used interchangeably to meet the on-site visit requirement. When we discussed this matter with DCJS, it stated that it interpreted "desk monitoring" as routine activities like regular contact, progress report reviews, and technical assistance, which DCJS saw as evidence during their 2024 monitoring on-site visit of VDSS. Specifically, DCJS found that VDSS's desk monitoring included the review of the quarterly reimbursements submitted by the CACs, case note reviews from the narrative programmatic reports, and access to the programmatic data collection system. DCJS also stated that, in collaboration with the DCJS grant monitor, a VDSS official participated in bi-weekly meetings with all CAC

⁵ The risk rating averages use the average risk ratings from the previous two state fiscal years when a manual risk assessment is not conducted.

⁶ During the COVID-19 pandemic, VDSS amended its monitoring policy to replace on-site visits with virtual reviews (desk reviews), maintaining the same procedures to meet the on-site review requirement.

Directors to discuss grant-related topics, including reporting requirements, financial claims, the importance of accurate recordkeeping, and preparation for site visits. Although VDSS maintained communication and engagement with the CACs, it did not have procedures in place to conduct regular desk monitoring as required. As discussed in the [Financial Monitoring](#), [Subaward Expenditures](#), and [Performance Monitoring](#) sections below, VDSS's monitoring efforts provided a limited review of expenditures when processing CACs' reimbursements and did not review accuracy of PMT performance data reported. By not conducting regular desk monitoring, VDSS provided limited assurance of subrecipient financial compliance with VOCA Guidelines and that performance data reported to OVC was fairly represented. Therefore, we recommend that OJP work with DCJS to ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.

Financial Monitoring

According to VDSS's monitoring policies and procedures, when conducting on-site visits, VDSS personnel request to review CACs' subaward budgets and support for expenditures for a specific quarter to assess compliance with subaward terms and conditions. To assess the adequacy of VDSS financial monitoring of the CACs, we reviewed support for monitoring activities and tested a sample of expenditures for three CACs.

Subaward Reimbursements

The DOJ Grants Financial Guide and Uniform Guidance require that grant recipients working on multiple grant programs or cost activities should have documentation to support a reasonable allocation or distribution of costs among specific activities or cost objectives. Furthermore, recipients and subrecipients must have a financial management system to record and report on the receipt, obligation, and expenditure of grant funds separately by source.

We found that the process VDSS used to provide VOCA funding to the subrecipient CACs did not comply with the DOJ Grants Financial Guide and the Uniform Guidance. VDSS required its subrecipients to request reimbursement by submitting a quarterly financial report summarizing expenses by budget category such as salaries, rent, training, and equipment.⁷ These reimbursement requests did not identify the expenses charged to each funding source. Instead, VDSS reviewed the subrecipient CACs' financial reports and unilaterally allocated expenditures to the three funding sources (i.e., VOCA, TANF, and GF) based on a predetermined percentage to reimburse the CACs.⁸ To determine the CACs' VOCA allocation percentage for 2023 and 2024 subawards, VDSS divided the VOCA funds by the total award amount from all funding sources and used that percentage to allocate the VOCA reimbursements to the CACs.

⁷ According to VDSS policy, subrecipient CACs were to be reimbursed quarterly unless VDSS approved a written request for monthly reimbursements.

⁸ The OIG previously alerted OJP to concerns regarding similar non-compliant subaward funding approaches. See U.S. Department of Justice Office of the Inspector General, [Management Advisory Memorandum: Notification of Concerns Identified in State Administering Agencies' Administration of Victims of Crime Act Victim Assistance Formula Grant Funds](#), Audit Report 25-046 (March 2025), oig.justice.gov/reports/notification-concerns-identified-state-administering-agencies-administration-victims-crime.

VDSS informed us it does not have written procedures over the reimbursement process, but it provided informal guidance to the CACs on tracking funds separately and verified compliance during on-site visits. The SAA, DCJS, also told us that in 2021 it provided VDSS with technical guidance on separating costs in the CACs' accounting systems when receiving multiple funding sources. However, we confirmed that the subrecipient CACs in our sample were not separating expenditures from multiple funding sources, nor was VDSS verifying the allocation of expenditures in the CACs' accounting system during the on-site visits.

VDSS's approach of allocating the subrecipients' expenditures to the VOCA and state funding sources at the reimbursement stage impacted the subrecipients' ability to establish adequate accounting systems of record to track the federal and state funding sources separately in compliance with the Uniform Guidance. Without appropriate written procedures, VDSS lacks controls to enforce separate tracking of VOCA costs in accordance with the DOJ Grants Financial Guide and the Uniform Guidance to verify its subrecipients' proper handling of financial transactions. Therefore, we recommend that OJP work with DCJS to ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution. We also recommend that OJP work with DCJS to ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.

Additionally, we found that the percentage applied by VDSS when reimbursing the CACs for the 2024 subawards was incorrect. Specifically, VDSS: (1) did not properly track the total CAC subaward amounts spent across the multiple funds, and (2) received reimbursements from DCJS for subrecipient CAC expenses that exceeded the percentage that the VDSS official had established for VOCA based on the subaward agreement. For example, one CAC was allocated \$263,361 of VOCA funds; however, the CAC was reimbursed \$273,860, resulting in an excess of \$10,499. A VDSS official explained that for 2024, VDSS mistakenly continued using the 2023 VOCA percentage when allocating expenditures during the reimbursement process. We found that by VDSS applying the incorrect percentage, it requested from DCJS and reimbursed its subrecipients \$91,918 in unallowable VOCA funds. Therefore, we recommend that OJP work with DCJS to remedy the \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.

Subaward Expenditures

To evaluate VDSS's financial controls over VOCA expenditures, we reviewed a sample of three subrecipient CACs' transactions for accuracy, allowability, and compliance with the VOCA Guidelines. As of August 2024, we found that VDSS paid a total of \$8,125,102 to its CACs using VOCA funds sourced from the audited funds from DCJS. We judgmentally selected 174 CAC transactions related to personnel and non-personnel costs, totaling \$162,000.

Personnel Costs

According to the DOJ Grants Financial Guide, charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed and comply with the established policies and practices of the organization. We found that one of the sampled CACs used estimates rather than actual time to allocate personnel costs to the subaward. Specifically, the CAC provided timesheets for three employees that included total hours charged that did not reconcile to the percentage

spent on the VOCA program as reflected in the corresponding financial reports. For example, this CAC requested reimbursement for 13 percent of an employee's gross monthly salary, but the employee's timesheet indicated only 6 percent of the time was worked on the VOCA program. A CAC official stated that the percentages used to calculate the salaries and fringe benefits were based on the initial budget estimates approved by VDSS in the subaward agreements. The Uniform Guidance allows budget estimates for interim accounting purposes; however, final charges to the federal award must be accurate, allowable, and properly allocated. Additionally, the OVC has provided guidance to VOCA grant recipients stating that the allocation or distribution of costs should be based on after-the-fact accounting rather than estimates. Consequently, we reviewed all salary expenses charged to the 2023 and 2024 subawards for the three employees and found that the CAC did not conduct a periodic review or after-the-fact verification of estimates versus actuals. As a result, we identified unsupported personnel costs totaling \$9,065 in subaward 2023.

Regarding the same CAC, a VDSS official stated that payroll supporting documents are only reviewed during on-site visits, not during the reimbursement process. However, we requested and reviewed the last site visit that VDSS performed for this CAC and confirmed that VDSS did not review the timesheets, instead VDSS reviewed a general ledger report that included the total payroll expenditures for the quarter.

Although VDSS monitoring policy states that expenditure documentation should be reviewed during on-site visits, it does not include a control for reviewing timesheets and ensuring that CACs are conducting after-the-fact reconciliations when using budgeted percentages. If CACs request funds based on initial subaward agreement estimates rather than actual VOCA-related work, the risk of mischarging the subaward increases. Therefore, we recommend that OJP work with DCJS to ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts. We also recommend that OJP work with DCJS to remedy the \$9,065 in unsupported personnel costs.

Single Audit Requirements

Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. Under the Uniform Guidance, such entities that expend \$1,000,000 or more in federal funds within the entity's fiscal year must have a single audit performed covering all federal funds expended that year.⁹

According to the DOJ Grants Financial Guide, primary recipients are required to ensure: (1) subrecipients have single audits completed, when required, and (2) as appropriate, corrective actions on all audit findings have been implemented. Furthermore, the agency or pass-through entity responsible for oversight is required to issue a management decision on audit findings within 6 months after receipt of the single audit report (SAR) by the Federal Audit Clearinghouse and ensure that the subrecipient takes appropriate and

⁹ Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. The Single Audit Act requires recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. The audit is referred to as "single" because it includes all federal financial assistance that the entity has received and expended. Under the Uniform Guidance, such entities that expend \$1,000,000 or more in federal funds within the entity's fiscal year must have a single audit performed annually covering all federal funds expended that year. Prior to October 1, 2024, the threshold for single audit requirements was \$750,000.

timely corrective action. We reviewed the Commonwealth of Virginia's FY 2023 SAR, which contained a finding that VDSS did not verify whether subrecipients had single audits completed or reviewed any issued subrecipients' single audit reports to ensure proper monitoring of DOJ funding.¹⁰ As a result, VDSS did not issue management decisions on VOCA-related single audit findings and did not ensure corrective action was taken. We confirmed with VDSS officials that VDSS now has a policy that outlines the specific review process of subrecipient SARs and an updated Agency Subrecipient Monitoring Plan that includes reviewing SARs as a part of VDSS's subrecipient monitoring responsibilities. Therefore, we do not make a recommendation.

Performance Monitoring

According to the VOCA Guidelines, SAAs that opt to use a pass-through entity shall ensure the reporting of activities at the direct-service level is equivalent to what would be provided if the SAAs were directly overseeing subawards. To assess the adequacy of VDSS's performance monitoring, we interviewed VDSS personnel, reviewed VDSS monitoring procedures, and reviewed a sample of completed performance monitoring activities of the three subrecipient CACs selected. We determined that VDSS needs improvement related to: (1) verifying that PMT data is accurate; and (2) ensuring that CAC performance data is prorated to reflect activities supported by VOCA.

Performance Data and Reporting

According to OVC guidance, grantees should have a subrecipient monitoring process in place to ensure subrecipients accurately collect performance data and maintain supporting documentation. Furthermore, grantees must review for accuracy and approve subrecipient performance data if the subrecipient enters it directly into the PMT. We assessed a sample of performance data from the first and fourth quarters of the 2023 and 2024 subawards to verify the quarterly performance reports submitted to the OVC via PMT matched the supporting documents provided by the CACs.

We found discrepancies between the figures reported in PMT and the supporting information from the CACs. For example, one CAC only reported child victims in PMT for new individuals who received services for the first time during the reporting period, instead of also including non-offending caregivers who received services.¹¹ This resulted in the CAC under-reporting performance data in PMT. In response to our identification of performance data discrepancies, VDSS also informed us that: (1) the discrepancies may be due to the timing of data entry by the CACs, and (2) during site visits, they only verify that the CACs submitted performance reports in PMT. VDSS's monitoring policies and procedures do not require reviewing the accuracy of data entered in PMT by the CACs. Consequently, VDSS is not ensuring CACs report accurate and complete performance data in PMT. Therefore, we recommend that OJP work with DCJS to ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT.

¹⁰ DCJS and VDSS are both components of the Commonwealth of Virginia's government. The Commonwealth of Virginia's FY 2023 SAR also identified two significant deficiencies regarding DCJS' compliance with the VOCA requirements including Federal Funding Accountability and Transparency Act reporting and subrecipient suspension, and debarment status. According to the Commonwealth of Virginia's FY 2024 single audit report, both DCJS deficiencies were corrected.

¹¹ CACs provide direct services to victims of child abuse and neglect, including children and non-offending caregivers.

Prorating Performance Metrics

OVC recommends grantees and subrecipients should collect data on victims served and services supported through their victim assistance subaward 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 grantee should work with the subrecipient to apply an appropriate strategy for prorating subrecipient activity so that a reasonable portion is allocated to the victim assistance subawards and reported in the PMT. Regardless of the process or prorating method used, grantees and subrecipients are encouraged to establish a written procedure that outlines how both organizations will handle prorating.

We confirmed with VDSS that the CACs reported PMT metrics had not been prorated for VOCA-funded activity. We asked VDSS personnel if DCJS—as the SAA— had informed VDSS about the need to prorate PMT data for VOCA-funded activities, given that CACs receive funds from multiple sources (e.g., VOCA, GF and TANF). VDSS told us that DCJS did not discuss prorating data for the CACs. VDSS also told us that prorating was unnecessary because performance data reported all victims served, regardless of funding sources. However, DCJS informed us that it had provided training to VDSS and the CACs on proration strategies, PMT data entry, and that subrecipients are expected to report only VOCA-funded activities in PMT. By not prorating PMT performance data, the CACs risk reporting inaccurate performance data to OVC and potentially impacting funding decisions. We recommend that OJP work with DCJS to ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

Grant Financial Management

Award recipients must establish an adequate accounting system and maintain financial records that accurately account for awarded funds. To assess the adequacy of VDSS's financial management of the VOCA grants, we reviewed the process VDSS used to administer these funds by examining administrative expenditures, reimbursement requests, and match contributions. We also interviewed VDSS personnel, and reviewed VDSS's written policies and procedures, subaward documents, and financial records.

Our overall assessment of grant financial management found no significant concerns with VDSS's administrative expenditures, pass-through reimbursement, or compliance with match requirements.

Administrative Expenditures

SAA victim assistance expenses fall into two overarching categories: (1) reimbursements to subrecipients—which constitute the vast majority of total expenses, and (2) administrative expenses—which are allowed to total up to 5 percent of each award to pay for administering its crime victim assistance program and for training.¹² According to the VOCA Final Rule, SAAs that opt to use a pass-through entity shall ensure that the

¹² We considered the results of our previously referenced audit of victim assistance grants awarded to Virginia in performing this review. In that audit, we confirmed that Virginia included the administrative expenditures of its SAA oversight subrecipients in its own 5 percent administrative limit. See DOJ OIG, *Virginia Department of Criminal Justice Services*, 17-19.

total sum of VOCA funding for administrative and training costs for the SAA and pass-through entity is within the VOCA limit, the reporting of activities at the direct-service level is equivalent to what would be provided if the SAA were directly overseeing subawards, and an effective system of monitoring subawards is used.

We compared the total administrative expenditures charged to the subawards against VDSS’s general ledger. Our assessment found that VDSS used its administrative allowance for the personnel costs of one employee, totaling \$151,802 for the 2023 and 2024 subawards. We tested 100 percent of these expenditures to determine whether costs charged to the subawards were allowable, supported, and properly allocated in compliance with subaward requirements. Overall, we found that administrative expenditures were generally allowable and supported and did not exceed the 5-percent limit.

Pass-through Reimbursements

According to the DOJ Grants Financial Guide, award recipients should request funds based on immediate disbursement or reimbursement needs, and the grantee should time drawdown requests to ensure that the federal cash on hand is the minimum needed for reimbursements or disbursements made immediately or within 10 days. To assess whether VDSS managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in VDSS’s accounting system and accompanying financial records. Table 2 below shows the total amount of reimbursements for each subaward as of December 2025.

Table 2

Amount DCJS Reimbursed VDSS as of December 2025

Subaward Number	Subaward Period End Date	Total Subaward Amount	Amount Reimbursed by DCJS	Subaward Amount Remaining ^a
496279 (2023 subaward)	06/30/2023	\$4,430,582	\$4,300,072	\$130,510
513502 (2024 subaward)	06/30/2024	\$3,987,524	\$3,968,553	\$18,971
Total		\$8,418,106	\$8,268,625	\$149,481

^a The remaining amount was the result of challenges experienced by the CACs such as hiring and retaining staff.

Source: OIG analysis and DCJS

As discussed in the [Subaward Reimbursements](#) section, VDSS reviews the CACs’ financial reports and applies its allocation methodology to determine the amount to be reimbursed from VOCA and state funding sources. After this, a VDSS official submits the CACs’ invoices to the VDSS’s Finance Department, which approves the expenditures, records them in VDSS’s accounting system and makes payments. When requesting reimbursement from DCJS, VDSS uses an Agency to Agency (ATA) claim form to report the subaward expenses in DCJS’ grants management system with supporting data. DCJS personnel enter the ATA request into the Commonwealth of Virginia’s accounting system, through which the Commonwealth of Virginia’s Department of Accounts approves and transfers funds to VDSS to complete the reimbursement.

Overall, we verified that VDSS's accounting records reconciled with its reported expenditures to DCJS. Additionally, our review confirmed that the total amounts reimbursed to the CACs reconciled with VDSS's accounting records. However, we found deficiencies and questioned costs related to VDSS's reimbursement to the CACs, as described in the [Subaward Reimbursements](#) section of this report.

Matching Requirement

VOCA Guidelines require that subrecipients match 20 percent of the project cost. Match contributions must come from non-federal sources and can be either cash or an in-kind match.¹³ The SAA has primary responsibility for ensuring subrecipient compliance with the match requirements.

On September 20, 2021, the OVC issued an Updated Match Waiver Approval Process bulletin, which stated that from the declaration of a national emergency under the National Emergencies Act (50 U.S.C. § 1601 et seq.) due to a pandemic, until 1 year after the date of the emergency ends, SAAs shall issue waivers for any matching requirement, in its entirety, for all eligible crime victim assistance programs providing services at that time.¹⁴ Following OVC guidance, VDSS received a waiver from DCJS for 2023 and 2024 subawards. VDSS also informed each CAC via the subaward agreements that a match requirement was not required.

¹³ In-kind match contributions may include donations of expendable equipment, office supplies, workshop or classroom materials, workspace, or the value of time contributed by those providing integral services to the funded project.

¹⁴ 34 U.S.C. § 20103(a)(8).

Conclusion and Recommendations

We concluded that VDSS served crime victims by awarding VOCA funds to 19 CACs to provide direct services to victims of child abuse and neglect. We found VDSS established a subaward allocation process and communicated applicable VOCA requirements to the CACs. This audit did not find significant concerns over the administrative expenditures or compliance with match requirements. However, we found several areas that need improvement in the monitoring of subrecipients. VDSS needs to enhance its monitoring policies and procedures to ensure regular desk monitoring is conducted, the reimbursement process is documented, and controls are implemented to ensure CACs are separately tracking funding sources and have controls in place to verify salary charges made to the subawards. We also found that VDSS did not ensure CACs submitted accurate performance data, nor required CACs to prorate performance data. As a result of the deficiencies we identified, we questioned \$91,918 in unallowable subrecipient reimbursement costs in the 2024 subaward and \$9,065 in unsupported personnel costs in the 2023 subaward. We provide eight recommendations to OJP to address these deficiencies.

We recommend that OJP work with DCJS to:

1. Ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.
2. Ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.
3. Ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.
4. Remedy the \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.
5. Ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.
6. Remedy the \$9,065 in unsupported personnel costs.
7. Ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT.
8. Ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

APPENDIX 1: Objective, Scope, and Methodology

Objective

The audit objective was to evaluate how the Virginia Department of Social Services (VDSS) distributed and administered Victims of Crime Act (VOCA) funding to assist crime victims. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning requirements and performance reporting, and (2) monitoring of subrecipients.

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 the Office of Justice Programs (OJP), Office for Victims of Crime (OVC) victim assistance funds subawarded to the VDSS. The OVC provided these funds to the Virginia Department Criminal Justice Services (DCJS), which serves as the state administering agency for the Commonwealth of Virginia and makes subawards to direct service providers and pass-through entities. As a pass-through entity, DCJS awarded VDSS two subawards totaling \$8,418,106. As of December 2025, DCJS reimbursed VDSS with a cumulative amount of \$8,268,625. Specifically: (1) \$4,300,072 from the 2023 subaward; and (2) \$3,968,553 from the 2024 subaward.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of VDSS's activities related to the audited subawards, which included interviewing VDSS's program and financial staff, examining policies and procedures, and reviewing grant documentation and financial records. We performed sample-based audit testing for subrecipient expenditures, including payroll and fringe benefit costs, reimbursement requests, and performance reporting. 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. The authorizing VOCA legislation, the VOCA victim assistance program guidelines; the DOJ Grants Financial Guides; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from DOJ's JustGrants System and OJP's Performance Measurement Tool, as well as VDSS 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 was verified with documents from other sources.

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of VDSS to provide assurance on its internal control structure as a whole. VDSS management is responsible for the establishment and maintenance of internal controls in accordance with the Office of Management and Budget Circular A-123 and 2 C.F.R. § 200. Because we do not express an opinion on VDSS's internal control structure as a whole, we offer this statement solely for the information and use of VDSS, DCJS, and OJP.¹⁵

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we reviewed the design and implementation of VDSS's written policies and procedures. We 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 objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

¹⁵ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: Schedule of Dollar-Related Findings

Description	OJP Prime Award Number	Subaward Number	Amount	Page
Questioned Costs¹⁶				
Unallowable Costs from misapplied percentage of VOCA allocations	15POVC-21-GG-00602-ASSI	513502	\$91,918	6
	15POVC-22-GG-00681-ASSI	(2024 subaward)		
Unsupported Personnel Costs	15POVC-21-GG-00602-ASSI	496279 (2023 subaward)	\$9,065	7
TOTAL DOLLAR-RELATED FINDINGS			<u>\$100,983</u>	

¹⁶ **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

APPENDIX 3: The Virginia Department of Social Services Response to the Draft Audit Report



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

February 23, 2026

Ms. Shenika N. Cox
Regional Audit Manager
U.S. Department of Justice
Office of the Inspector General
Washington Regional Audit Office
Jefferson Plaza, Suite 900
Washington, DC 20530

Dear Ms. Cox:

The Virginia Department of Social Services (VDSS) has received the draft audit report completed by the Office of the Inspector General (OIG) and shared with VDSS on February 18, 2026. The audit covered FY23 Victims of Crime Act (VOCA) funds awarded to VDSS through grant number 15POVC-21-GG-00602-ASSI and FY24 VOCA funds awarded to VDSS through grant numbers 15POVC-21-GG-00602-ASSI and 15POVC-22-GG-00681-ASSI and sub-awarded to Child Advocacy Centers (CACs) in Virginia.

The report included eight recommendations. VDSS agrees with the eight recommendations.

Recommendation 1: Ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.

VDSS' Response: VDSS agrees with this recommendation. VDSS will document a desk monitoring process that is disseminated to personnel and includes: (1) the nature and scope of monitoring activities; (2) the required frequency of monitoring; and (3) instructions to clearly document that monitoring occurred. The new process will be documented and training completed by 6/30/2026.

5600 Cox Road · Glen Allen VA · 23060
www.dss.virginia.gov · 804-726-7000 · TDD 800-828-1120

Recommendation 2: Ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.

VDSS' Response: VDSS agrees with this recommendation, noting that as of June 30, 2025, VDSS does not receive VOCA funding for CACs. VDSS will develop a compliant process for subaward reimbursement that requires subrecipients to track costs and transactions separately by funding source at the time of execution. VDSS will provide written guidance for subrecipients by 6/30/2026.

Recommendation 3: Ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.

VDSS' Response: VDSS agrees with this recommendation, noting that as of June 30, 2025, VDSS does not receive VOCA funding for CACs. VDSS will provide written reimbursement procedures for subrecipients that are compliant with the DOJ Grants Financial Guide and the Uniform Guidance. VDSS will provide written guidance for subrecipients by 6/30/2026.

Recommendation 4: Remedy the \$91,918.00 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.

VDSS' Response: VDSS agrees with this recommendation. VDSS implemented a [REDACTED] in FY26 that safeguards against future percentage calculation errors. The unallowable costs will be rectified by 6/30/2026.

Recommendation 5: Ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.

VDSS' Response: VDSS agrees with this recommendation. VDSS will require subrecipients to provide standardized time and effort documentation that reflects actual hours worked. VDSS will provide written subrecipient monitoring guidance for personnel by 6/30/2026.

Recommendation 6: Remedy the \$9,065.00 in unsupported personnel costs.

VDSS' Response: VDSS agrees with this recommendation. VDSS' Finance Department will work with subrecipient to resolve the unsupported personnel costs. Unsupported personnel costs will be rectified by 6/30/2026.

Recommendation 7: Ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT.

VDSS' Response: VDSS agrees with this recommendation noting that as of June 30, 2025, VDSS no longer receives VOCA funding for CACs. VDSS does not currently have access to PMT and cannot implement a process for reviewing the accuracy of performance data in the PMT system.

Recommendation 8: Ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

VDSS' Response: VDSS agrees with this recommendation noting that as of June 30, 2025, VDSS no longer receives VOCA funding for CACs. VDSS does not currently have access to PMT, and therefore, it is not possible to implement a proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

Thank you for the opportunity to review and respond to this report. We look forward to working together to remedy the resulting findings from the audit.

Sincerely,



Carl E. Ayers
Deputy Commissioner of Human Services
Virginia Department of Social Services

APPENDIX 4: The Department of Criminal Justice Services Response to the Draft Audit Report



COMMONWEALTH of VIRGINIA

Department of Criminal Justice Services

Ashaki McNeil
Director

Harvey Powers
Chief Deputy Director

Washington Building
1100 Bank Street
Richmond, Virginia 23219
(804) 786-4000
www.dcjs.virginia.gov

March 4, 2026

Ms. Shenika N. Cox
Regional Audit Manager
U.S. Department of Justice
Office of the Inspector General
Washington Regional Audit Office (WRAO)

Dear Ms. Cox:

We appreciate the opportunity to respond to the Office of the Inspector General (OIG) Draft Audit Report of Victim Assistance, Victims of Crime Act (VOCA) funds subawarded to the Virginia Department of Social Services (VDSS). The Draft Audit Report relates to Subaward Numbers 496279 and 513502 and Federal Award Numbers 15POVC-21-GG-00602-ASSI and 15POVC-22-GG-00681-ASSI. It should be noted that as of June 30, 2025, VDSS no longer receives VOCA funds from the Virginia Department of Criminal Justice Services (DCJS) to support service provision in Child Advocacy Centers (CACs). Further, VDSS does not have an active DCJS subaward and there is no contractual or programmatic relationship between the two agencies.

The Draft Audit Report includes eight recommendations:

- 1. Ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.**

We agree with this recommendation. As we no longer fund VDSS, to the extent possible, we will ensure that VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.

- 2. Ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.**

We agree with this recommendation. As we no longer fund VDSS, to the extent possible, we will ensure that VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over

March 4, 2026

Page Two

tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.

- 3. Ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.**

We agree with this recommendation. As we no longer fund VDSS, to the extent possible, we will ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.

- 4. Remedy the \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.**

We agree with this recommendation and will ensure that VDSS remedies the \$91,918 in unallowable costs.

- 5. Ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.**

We agree with this recommendation. As we no longer fund VDSS, to the extent possible, we will work with VDSS to implement controls to verify that subrecipients' time and effort charges are based on actual amounts.

- 6. Remedy the \$9,065 in unsupported personnel costs.**

We agree with this recommendation and will ensure that VDSS remedies the \$9,065 in unsupported costs.

- 7. Ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT.**

We agree with this recommendation. VDSS no longer receives funds from DCJS to support service provision in CACs, and the OVC PMT system is a platform that is only used by VOCA-funded subrecipients to report VOCA-funded service provision. As a result, it would not be possible for VDSS to implement a process for reviewing the accuracy of performance data in PMT.

- 8. Ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.**

We agree with this recommendation. VDSS no longer receives funds from DCJS to support service provision in CACs, and the OVC PMT system is a platform that is only used by VOCA-funded subrecipients to report VOCA-funded service provision. As a result, it would not be possible for VDSS to implement a proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

If you need additional information, I can be reached at Anya.Shaffer@dcjs.virginia.gov or 804-786-2059. Thank you again for the opportunity to submit a response.

Sincerely,



Anya Shaffer
VOCA Administrator

APPENDIX 5: The Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

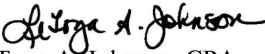
Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, DC 20531

March 27, 2026

MEMORANDUM TO: Shenika N. Cox
Regional Audit Manager
Washington Regional Audit Office
Office of the Inspector General

FROM:  LeToya A. Johnson, CPA
Acting Deputy Director
Audit and Review Division

Digitally signed by LETOYA JOHNSON
Date: 2026.03.27 11:11:34 -04'00'

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Virginia Department of Criminal Justice Services to the Virginia Department of Social Services, Glen Allen, Virginia.*

This memorandum is in reference to your correspondence, dated February 9, 2026, transmitting the above-referenced draft audit report for subawards from the Virginia Department of Criminal Justice Services (DCJS) to the Virginia Department of Social Services (VDSS). VDSS received funds through Grant Award Numbers 15POVC-21-GG-00602-ASSI and 15POVC-22-GG-0681-ASSI under the Office of Justice Program (OJP), Office for Victims of Crime, Victims of Crime Act, Victim Assistance Formula Grant Program. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **eight** recommendations and **\$100,983** in net 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 DCJS to ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.**

OJP agrees with the recommendation. We will coordinate with DCJS to ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.

- 2. We recommend that OJP work with DCJS to ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.**

OJP agrees with the recommendation. We will coordinate with DCJS to ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.

- 3. We recommend that OJP work with DCJS to ensure VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.**

OJP agrees with the recommendation. We will coordinate with DCJS to ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient Child Advocacy Centers (CAC) in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.

- 4. We recommend that OJP work with DCJS to remedy the \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.**

OJP agrees with the recommendation. We will coordinate with DCJS to remedy the \$91,918 in questioned costs related to unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.

We recommend that OJP work with DCJS to ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.

OJP agrees with the recommendation. We will coordinate with DCJS to ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.

- 5. We recommend that OJP work with DCJS to remedy the \$9,065 in unsupported personnel costs.**

OJP agrees with the recommendation. We will coordinate with DCJS to remedy the \$9,065 in questioned costs related to unsupported personnel costs.

6. **We recommend that OJP work with DCJS to ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT.**

OJP agrees with the recommendation. We will coordinate with DCJS to ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in Performance Management Tool (PMT).

7. **We recommend that OJP work with DCJS to ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.**

OJP agrees with the recommendation. We will coordinate with DCJS to ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact me on (202) 353-5744.

cc: Maureen A. Henneberg
Deputy Assistant Attorney General

Katherine Darke Schmitt
Acting Director
Office for Victims of Crime

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

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
Deputy Director, State Victim Resource Division
Office for Victims of Crime

Nathaniel Kenser
Acting Deputy General Counsel
Office of Justice Programs

cc: Phillip Merkle
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Christal McNeil-Wright
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Joanne M. Suttington
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Aida Brumme
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Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

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

OJP Executive Secretariat
Control Number OCOM001959

APPENDIX 6: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP), the Virginia Department of Criminal Justice Services (DCJS), and the Virginia Department of Social Services (VDSS). OJP's response is incorporated in Appendix 5, DCJS's response is incorporated in Appendix 4, and VDSS's response is incorporated in Appendix 3 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. DCJS and VDSS agreed with all eight recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for OJP to work with DCJS to:

- 1. Ensure VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, as well as the results.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure that VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, along with the results. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation and stated in its response that it would ensure that VDSS documents its desk monitoring process to communicate to its personnel expectations regarding the: (1) nature and scope of monitoring, (2) required frequency of monitoring, and (3) sufficient documentation to substantiate that monitoring occurred, along with the results.

VDSS agreed with our recommendation and stated in its response that it will disseminate to relevant staff a desk monitoring process document that includes the: (1) nature and scope of monitoring activities, (2) required frequency of monitoring, and (3) instructions to clearly document that monitoring occurred. VDSS also stated that the new process will be documented and training completed by June 30, 2026.

This recommendation can be closed when we receive evidence that VDSS has documented its desk monitoring process and communicated that process to the relevant personnel.

- 2. Ensure VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure VDSS develops and implements a compliant process for subaward

reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources and VDSS controls for ensuring subrecipients adequately account for transactions by funding source at the time of execution. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation and stated in its response that it will ensure that VDSS develops and implements a compliant process for subaward reimbursement that includes subrecipient autonomy over tracking expenditures to funding sources as well as adequate VDSS controls for ensuring subrecipients adequately account for transactions by funding at the time of execution.

VDSS agreed with our recommendation. In its response, VDSS stated it will develop a compliant process for subaward reimbursement that requires subrecipients to track costs and transactions separately by funding source at the time of execution. VDSS also stated it will provide the written guidance by June 30, 2026.

This recommendation can be closed when we receive evidence that VDSS has developed and implemented a compliant subaward reimbursement process and related controls that include subrecipient autonomy over tracking expenditures to funding sources.

- 3. Ensure that VDSS develops and implements guidance to assist its personnel and its subrecipients through the administration of the new process for reimbursing subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure that VDSS develops and implements guidance to assist its personnel and subrecipients with administering the new process for reimbursing subrecipient CACs. As a result, this recommendation is resolved.

DCJS agreed with our recommendation and stated in its response that it will ensure that VDSS develops and implements guidance to assist personnel and its subrecipient CACs in compliance with the DOJ Grants Financial Guide and the Uniform Guidance.

VDSS agreed with our recommendation. In its response, VDSS stated it will provide the written subrecipient reimbursement procedures that are compliant with the DOJ Grants Financial Guide and the Uniform Guidance. VDSS stated that it will provide the written guidance by June 30, 2026.

This recommendation can be closed when we receive evidence that VDSS has developed and implemented written guidance to assist relevant VDSS personnel and subrecipient CACs with adhering to the new subaward reimbursement process.

4. Remedy the \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to remedy the \$91,918 in questioned costs related to unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs. As a result, this recommendation is resolved.

DCJS agreed with our recommendation and stated in its response that it would ensure VDSS remedies the \$91,918 in unallowable costs.

VDSS agreed with our recommendation. In its response, VDSS stated that in fiscal year 2026, it has implemented a grants management system that safeguards against future errors in calculating the reimbursement percentage. While we recognize that VDSS has implemented a new system to help with oversight and monitoring, as we note in recommendation 2, it must also ensure that subrecipients are tracking their own expenditures by funding source instead of VDSS applying percentages during the reimbursement process. VDSS stated that unallowable costs will be rectified by June 30, 2026.

This recommendation can be closed when we receive evidence that OJP has remedied \$91,918 in unallowable costs resulting from the incorrect percentage applied by VDSS when reimbursing the CACs.

5. Ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure VDSS implements controls to verify that subrecipients' time and effort charges are based on actual amounts. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation and stated that it will work with VDSS to implement controls to verify that subrecipients' time and effort charges are based on actual amounts.

VDSS agreed with our recommendation and stated in its response that it would require subrecipients to provide standardized time and effort documentation that reflects actual hours worked. VDSS also stated that it will provide the written subrecipient monitoring guidance for personnel by June 30, 2026.

This recommendation can be closed when we receive evidence that VDSS has implemented controls to verify that subrecipients' time and effort charges are based on actual time worked.

6. Remedy the \$9,065 in unsupported personnel costs.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to remedy the \$9,065 in questioned costs related to unsupported personnel costs. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation and stated that it will ensure VDSS remedies the \$9,065 in unsupported costs.

VDSS agreed with our recommendation and stated in its response that VDSS's Finance Department will work with the subrecipient to resolve the unsupported personnel costs by June 30, 2026.

This recommendation can be closed when we receive evidence that OJP has remedied \$9,065 in unsupported personnel costs.

7. Ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in the Performance Measurement Tool (PMT).

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure VDSS enhances its monitoring policies and procedures to include a process for reviewing the accuracy of performance data in PMT. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation. In its response, DCJS noted that, as of June 30, 2025, VDSS no longer receives VOCA funding to support CACs. DCJS stated that the OVC PMT system is a platform that is only used by VOCA-funded subrecipients. DCJS further stated that VDSS therefore cannot implement a process for reviewing the accuracy of performance data in PMT.

VDSS agreed with our recommendation and stated in its response that, as of June 30, 2025, VDSS no longer receives VOCA funding for CACs. Therefore, VDSS does not currently have access to PMT and cannot implement a process for reviewing the accuracy of performance data in the PMT system.

We recognize that VDSS reported that it does not currently receive VOCA funding and stated that it does not have access to the PMT system. Therefore, we will work with OJP during the audit resolution phase to ensure that VDSS and DCJS take appropriate action to close this recommendation.

This recommendation can be closed when we receive evidence that OJP has worked with DCJS to ensure VDSS has enhanced its monitoring policies and procedures, as appropriate.

8. **Ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCJS to ensure VDSS develops, implements, and distributes a written proration strategy to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities. Therefore, this recommendation is resolved.

DCJS agreed with our recommendation. In its response, DCJS again noted that VDSS no longer receives VOCA funding to support CACs. DCJS stated that therefore VDSS cannot implement a strategy for prorating funds to the CACs to ensure PMT data is complete, accurate, and reflects only VOCA-funded activities.

VDSS agreed with our recommendation and reiterated that it no longer receives VOCA funding for CACs. Therefore, VDSS does not currently have access to PMT and cannot implement a strategy for prorating the VOCA funding to the CACs.

We understand that VDSS does not currently receive VOCA funding and stated that it does not have access to the PMT system. Therefore, we will work with OJP during the audit resolution phase to ensure that VDSS and DCJS take appropriate action to close this recommendation.

This recommendation can be closed when we receive evidence that OJP has worked with DCJS to ensure that VDSS has, as appropriate, addressed the need for a written proration strategy that ensures performance data is complete, accurate, and reflects only VOCA-funded activities.