



Audit of the Office of Justice Programs Victim
Assistance Funds Subawarded by the Vermont
Center for Crime Victim Services to Disability
Rights Vermont, Inc.,
Montpelier, Vermont



AUDIT DIVISION

26-034

MARCH 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of the report for privacy reasons. The redactions are contained in Appendices 3 and 4, and are an individual's contact information.



EXECUTIVE SUMMARY

Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Vermont Center for Crime Victim Services to Disability Rights Vermont, Inc., Montpelier, Vermont

Background

The U.S. Department of Justice (DOJ) Office of Justice Programs (OJP) provided funds to the Vermont Center for Crime Victim Services (Vermont CCVS) to make subawards to support victim assistance programs in the state of Vermont. Vermont CCVS awarded \$188,000 in crime victim assistance funds to Disability Rights Vermont, Inc. (DRVT) under two subawards between July 1, 2023, and June 30, 2025. The purpose of DRVT's subawards was to assist victims of crime with disabilities across Vermont by providing legal protection and advocacy. As of July 2025, Vermont CCVS had reimbursed DRVT for a cumulative amount of \$180,891 for the subawards we reviewed.

Audit Objective

The objective of this DOJ Office of the Inspector General audit was to review how DRVT used Victims of Crime Act (VOCA) 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

We concluded that DRVT provided services to victims of crime with disabilities across Vermont. However, the audit also found that DRVT 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 DRVT provided victims of crime with disabilities with legal protection and advocacy. The audit also found that DRVT lacked written program policies and procedures for preparing its performance reports and prorating performance data.

Financial Management

We identified concerns with DRVT's grant financial management, specifically inadequate controls over access to its accounting system and budget management. We also questioned \$42,612 as unallowable for unapproved general and administrative costs.

Recommendations

Our report contains six recommendations for OJP to work with Vermont CCVS to assist DRVT in improving its award management and administration. We requested a response to our draft audit report from DRVT, Vermont CCVS, and OJP officials, which can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of victim assistance funds received by Disability Rights Vermont, Inc. (DRVT), located in Montpelier, Vermont. The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) provided this funding to the Vermont Center for Crime Victim Services (Vermont CCVS), which serves as the state administering agency (SAA) for Vermont and provides subawards to direct service providers. As a direct service provider, DRVT received two subawards from Vermont CCVS totaling \$188,000 between July 1, 2023, and June 30, 2025. These funds originated from Vermont CCVS's fiscal year (FY) 2022 and 2023 federal grants, as shown in Table 1.

Table 1

Audited Subawards to DRVT from Vermont CCVS

SAA Subaward Identifier	OJP Prime Award Numbers	Project Start Date	Project End Date	Subaward Amount
02160-VOCA22-736901-2024	15POVC-22-GG-00693-ASSI	July 1, 2023	June 30, 2024	\$94,000
02160-VOCA23-736901-2025	15POVC-23-GG-00476-ASSI	July 1, 2024	June 30, 2025	\$94,000
Total:				\$188,000

Source: JustGrants and Vermont CCVS

Established by the Victims of Crime Act (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 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, 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.

Disability Rights Vermont, Inc.

DRVT is a private, non-profit corporation that provides protection and advocacy services for persons with developmental and other disabilities, including individuals diagnosed as having mental illness, by promoting the equality, dignity, and self-determination of people with disabilities. According to its website, DRVT has been a subrecipient of VOCA funding since 1998 and currently receives funding to provide information, referrals, and advocacy services, including legal representation when appropriate, to individuals throughout Vermont who have disabilities.

OIG Audit Approach

The objective of this audit was to review how DRVT used VOCA funds it received through two subawards from Vermont CCVS to assist crime victims and assess whether DRVT 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 Vermont CCVS officials regarding DRVT's records of delivering crime victim services, accomplishments, and compliance with Vermont CCVS 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; Vermont CCVS guidance; and the OVC and SAA 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. Appendix 2 presents the audit's Schedule of Dollar-Related Findings.

² As an SAA, Vermont CCVS is responsible for ensuring that DRVT's subaward is 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 Vermont CCVS in performing this separate review. See [Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Assistance Formula Grants Awarded to the Vermont Center for Crime Victim Services, Waterbury, Vermont](#), Audit Report GR-70-18-007 (March 2018), oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-0.

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. DRVT received its funding from Vermont CCVS to support and advocate for victims with disabilities by providing information, referrals, and advocacy services, including legal representation when appropriate, to individuals with disabilities throughout Vermont. We reviewed DRVT's standard operating procedures in relation to the subaward-funded services and considered evidence of accomplishments to determine whether DRVT provided the services for which it was funded. Overall, and as detailed below, our audit concluded that DRVT met its subawards' goal of providing support and advocate services for victims with disabilities. However, DRVT lacked written policies and procedures for compiling its performance data and did not submit accurate performance reports.

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 a process designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) reliability of reporting for internal and external use, and (3) compliance with applicable laws and regulations.

To obtain an understanding of its standard operating procedures in relation to audited victim services, we conducted interviews with the Executive Director and DRVT personnel responsible for administering the program and providing direct services to victims of crime. In addition, we reviewed DRVT's written policies and procedures that govern the VOCA-funded program, obtained an understanding of DRVT's approach for case management, and compared performance reports with DRVT's case management system data.

Performance Reporting

Award recipients and subrecipients provide relevant data quarterly to track performance metrics through the 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. Vermont CCVS requires its subrecipients to enter performance data directly into the PMT system.

To test the accuracy of reported information, we requested DRVT's supporting documentation for one of its 2024 quarterly PMT reports and determined that DRVT's report was supported by the case management system data we were provided. However, we found that DRVT underreported the number of victim services provided because its case management system did not count more than the first instance a reportable service was provided under each service request.³ We discussed the issue with DRVT officials who told us that they noted the limitations of its system in three of its four 2024 quarterly performance reports submitted to Vermont. However, DRVT had not enhanced its performance reporting procedures to address

³ DRVT tracked services provided by service request, not individuals. This means an individual may have more than one service request. DRVT assigned each of these service requests to a particular funding source.

the limitation. We discussed this issue with Vermont CCVS and were told that spot checks of subrecipient data are performed before Vermont CCVS forwards the data to OJP.

In addition, we found that DRVT's process for compiling performance data from its case management system was not documented in its grant management or programmatic policies and procedures. Written policies and procedures are essential to ensure that the establishment of internal controls are understood and consistently applied, particularly when there is a possibility of staff turnover. To increase assurance that performance reports are accurate and supported and to facilitate review, DRVT's performance reporting preparation procedures should be documented and formalized. Without complete, accurate, and supported performance reports, Vermont CCVS and OJP cannot adequately assess the impact grant funds have on serving victims of crime in Vermont.

Therefore, we recommend that OJP work with Vermont CCVS to ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete.

Prorating Performance

OVC recommends grantees and subrecipients collect data on victims served and services supported through their victim assistance subawards separately from those provided using 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 recipient (e.g., Vermont CCVS) 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.

According to DRVT officials, 24 percent of its clients had service requests that were funded by multiple sources. However, we found that DRVT did not have written policies or procedures for directly prorating its associated performance information across the relevant funding sources. Instead, DRVT reported the same client to each funding source. As a result, DRVT's performance reports did not appropriately capture the number of clients served by the subawards we audited, either through direct support or a documented proration strategy.

Without complete, accurate, and supported performance reports, Vermont CCVS and OJP cannot adequately assess the impact grant funds have on serving victims of crime in Vermont. Therefore, we recommend that OJP work with Vermont CCVS to ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

Program Services

According to subaward documents, the purpose of the subawards was to assist victims of crime with disabilities across Vermont by providing legal protection and advocacy. To assess DRVT's provision of services to victims of crime, we interviewed program officials and reviewed client service data in its case management system. Based on this work, we concluded that DRVT provided information, referrals, and advocacy services, including legal representation when appropriate, to individuals throughout Vermont who have disabilities.

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 those controls are understood and consistently applied. Management is responsible for the design and implementation of these policies and procedures.

As part of our audit, we interviewed DRVT personnel responsible for fiscal administration, reviewed subaward documents, examined fiscal policies and procedures, and tested a sample of expenditures to determine whether DRVT adequately accounted for subaward funds. Overall, our audit concluded that the tested subaward expenditures were generally allowable and supported; however, we identified concerns with DRVT's financial management, including a lack of internal controls related to accounting system access and insufficient budget management controls to ensure expenditures did not exceed the approved subaward budget.

Accounting System Access

During our audit, we found that DRVT lacked sufficient internal controls for accessing its accounting system. Specifically, we found that DRVT permitted use of a shared username and password for two individuals that regularly accessed the system instead of requiring each user to have a unique username and password. We discussed this issue with DRVT's Executive Director and were told that multiple usernames were considered but not implemented due to increased cost. Due to the increased risk of fraud that could result if transactions cannot be attributed to specific users, we believe using unique usernames and passwords is critical for ensuring federal funds are properly safeguarded. As a result, we recommend OJP work with Vermont CCVS to ensure DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee who accesses its accounting system.

Budget Management Controls

The DOJ Grants Financial Guide states that an adequate accounting system must compare actual expenditures with budgeted amounts for each award and subaward. It also must relate financial information to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the award or subaward agreement.

During our audit, we found that DRVT's budget management system did not ensure grant budgets were not exceeded. In reviewing expenditures, we found that DRVT had previously identified that it charged \$11,348 in expenditures in excess of the approved 2025 subaward amount before the subaward period had ended.

When DRVT identified this issue, it transferred \$8,483 in direct costs to different funding sources and reversed \$2,865 in general and administrative (G&A) costs to correct the overcharging of subaward funds. However, we noted that when making the correction to the 2025 subaward account, the \$8,483 amount was transferred to different funding sources without identifying specific expenditures. We also determined that DRVT did not update its case management system to reassign victim service requests to the change in funding source. Case management funding source designations were used to determine expenditures charged to each source and used to prepare its performance reports. By not updating its funding source designation in its case management system, the basis for charging the VOCA subawards and reported accomplishments do not reconcile.

While we recognized DRVT made the aforementioned adjustments to its accounting records prior to our audit, we reviewed DRVT's policies and procedures and determined that it lacked adequate budget management control procedures to help ensure that DRVT adheres to the approved subaward budget. As a result, we recommend OJP work with Vermont CCVS to ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets and (2) corrections made within its accounting system ensure the accuracy and completeness of expenditures and programmatic accomplishments for the subaward.

Subaward Expenditures

To receive subaward funds, DRVT requested quarterly reimbursements from Vermont CCVS through its online grants management system. For the subawards we audited, DRVT's approved budget categories included personnel, fringe benefits, travel, goods, services, supplies, and other costs.⁴ As of July 2025, we found that Vermont CCVS reimbursed a total of \$180,891 to DRVT with VOCA funds for costs incurred in these areas. We reviewed a judgmental sample of personnel and travel expenditures totaling \$4,578 and found them to be generally allowable, accurate, supported, and in accordance with the VOCA program requirements. While not identified within its approved budget, we also reviewed indirect costs DRVT charged to the subawards, as discussed in more detail below. As a result of that review, we questioned \$42,612 in indirect costs, as described below.

DRVT received reimbursement for \$42,612 that DRVT recorded as G&A costs. Our review of accounting records showed DRVT charged personnel, payroll taxes, pension, employee insurance, and rent as direct costs based on the percentage of direct hours worked on direct program activities. We found that DRVT also pooled G&A costs and allocated these costs to different projects by dividing it by total direct project costs for the entire organization and applying the percentage to direct costs for each project. For its FY 2024 and 2025 subawards, the annual percentages amounted to 25 and 38 percent, respectively.

We discussed this with DRVT officials who told us that DRVT's G&A costs: (1) were not indirect costs, (2) were direct costs treated as shared direct costs, and (3) were included in its Vermont CCVS-approved subaward

⁴ Following guidance from the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, the Vermont CCVS allowed its subrecipients to waive the requirement to provide matching funds from non-federal sources. After the VOCA Fix match waiver expired, the Vermont CCVS extended the match waiver to its subrecipients, including DRVT, for the duration of the subawards in place. Therefore, we did not perform testing in this area except for verifying that the waiver was provided and in place for the life of the audited subawards.

budget as direct costs in accordance with 2 CFR §200.405 and 200.413. DRVT also stated it did not have a federally approved indirect cost rate and did not elect to use the de minimis rate.

Based on our assessment, we found that DRVT's approach demonstrated G&A costs were, in fact, indirect costs. Of all the costs DRVT charged to its subawards, we found that rent and G&A were indirect costs and rent was the only category eligible for direct allocation under 2 C.F.R. § 200.405(d).⁵

According to the Uniform Guidance, subaward agreements are required to state whether subrecipients have a negotiated indirect cost rate or intend to utilize the de minimis rate.⁶ DRVT's approved subaward budget did not separately identify G&A costs or include indirect costs as an approved cost category. We asked Vermont CCVS officials if they were aware of DRVT's practice of charging allocated G&A costs as direct costs and that DRVT had included estimates of these costs in its subaward application within the direct cost categories. Vermont CCVS officials told us that they were not aware that DRVT's budget included allocated G&A costs within its direct costs.

Because DRVT's annual G&A costs allocated to the subawards exceeded the de minimis rate and DRVT did not have indirect costs approved in its budget, we question \$42,612 in unapproved G&A costs. We recommend that OJP work with Vermont CCVS to remedy the \$42,612 in unallowable indirect costs. We also recommend OJP work with Vermont CCVS to ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.

⁵ According to the Uniform Guidance 2 C.F.R. § 200.405(d), subrecipients may elect to use the direct cost allocation method to account for indirect costs. Specifically, a cost that benefits two or more projects or activities in proportions that can be determined without undue effort must be directly allocated to the projects based on the proportional benefit. However, when those proportions cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefited projects on any reasonable documented basis.

⁶ According to the Uniform Guidance, recipients and subrecipients that do not have a current federal negotiated indirect cost rate (including provisional rate) may elect to charge a de minimis rate of up to 10 percent of modified total direct costs for awards and subawards made prior to October 1, 2024, and 15 percent after October 1, 2024.

Conclusion and Recommendations

As a result of our audit testing, we conclude that DRVT provided support and assistance to victims of crime in Vermont. However, we found that DRVT 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 also questioned \$42,612 as unallowable because DRVT received reimbursement for unapproved G&A costs. We provide six recommendations to OJP to work with Vermont CCVS to address these deficiencies.

We recommend that OJP work with Vermont CCVS to:

1. Ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete.
2. Ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.
3. Ensure DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting system.
4. Ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets and (2) corrections made within its accounting system ensure the accuracy and completeness of expenditures and programmatic accomplishments for the subaward.
5. Remedy \$42,612 in unallowable indirect costs.
6. Ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.

APPENDIX 1: Objective, Scope, and Methodology

Objective

The objective of this audit was to review how Disability Rights Vermont, Inc. (DRVT) used the Victims of Crime Act (VOCA) funds received through a subaward from Vermont Center for Crime Victim Services (Vermont CCVS) 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 DRVT. These subawards, totaling \$188,000, were funded by Vermont CCVS from primary VOCA grants 15POVC-22-GG-00693-ASSI and 15POVC-23-GG-00476-ASSI awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). As of July 2025, Vermont CCVS had reimbursed DRVT \$180,891 in subaward funds.

Our audit concentrated on, but was not limited to, the period of July 1, 2023, to June 30, 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; Vermont CCVS guidance; and the OVC and Vermont CCVS award 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 DRVT's activities related to the audited subawards. Our work included conducting interviews with DRVT's financial staff, examining policies and procedures, and reviewing subaward documentation and financial records. We performed sample-based audit testing for grant expenditures and performance. 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 DOJ's JustGrants System, as well as Vermont CCVS's grants management system, and DRVT's accounting system and case management systems 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 DRVT to provide assurance on its internal control structure as a whole. DRVT's 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 the DRVT's internal control structure as a whole, we offer this statement solely for the information and use of the DRVT, Vermont CCVS, and OJP.⁷

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

⁷ 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 Number	SAA Subaward Identifier	Amount	Page
Questioned Costs:⁸				
Unapproved Indirect Costs	15POVC-22-GG-00693-ASSI	02160-VOCA22-736901-2024	\$17,388	7
Unapproved Indirect Costs	15POVC-23-GG-00476-ASSI	02160-VOCA23-736901-2025	<u>\$25,224</u>	7
Unallowable Costs			\$42,612	
TOTAL DOLLAR-RELATED FINDINGS			<u>\$42,612</u>	

⁸ **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: Disability Rights Vermont, Inc. Response to the Draft Audit Report



January 21, 2026

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Melonie V. Threatt
Audit Liaison Specialist, Audit Coordination Branch
Audit and Review Division
(via electronic mail: OAAMAuditResponses@usdoj.gov)

Re: Draft audit report on the Audit of the Office of Justice Programs (OJP) Victim Assistance funds subawarded by the Vermont Center for Crime Victim Services (Vermont CCVS) to Disability Rights Vermont, Inc., Montpelier, Vermont

Dear Mr. Puerzer and Ms. Threatt,

Please find enclosed Disability Rights Vermont's responses to the OIG's Draft Audit Report referenced above, as well as appropriate supporting documentation. Thank you for allowing us the opportunity to clarify the thorough documentation and timekeeping practices DRVT strives to maintain, and the steps we have taken to continue to improve our work whenever we are able to do so. We appreciate the opportunities you've provided to DRVT through your draft findings and recommendations that will allow us to better capture the true quality and quantity of the great work our staff does for victims with disabilities throughout the state of Vermont, and to ensure our financial management matches our strong performance. If you have any questions, please contact me.

1. Performance data capture, recording, and reporting

Recommendation:

Ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete.

Response:

DRVT concurs with this recommendation.

Plan: DRVT has updated its VOCA data collection process so that staff now identify the specific VOCA service provided at the time-entry level using standardized time entry "Actions," rather

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than selecting services only at the Service Request level. Capturing services at the point in time when work is performed improves accuracy by linking each service to a specific staff action and timestamp. This allows DRVT to generate performance reports directly from time data, ensuring services reported reflect actual services provided during the reporting period. See Attachment 1, VOCA Services and Time Actions Guideline.

DRVT is also developing a written **Programmatic Reporting and Data Entry Manual** to ensure consistency, accuracy, and completeness in performance reporting. This manual will document required time entry practices, service definitions, data review procedures, and reporting workflows. The manual will be finalized and implemented by **10/1/2026**, and will be used prospectively for all VOCA performance reporting.

2. Prorating performance across funding sources

Recommendation:

Ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

Response:

DRVT concurs with this recommendation.

Plan: Performance reporting is conducted on a per-grant basis and reflects services provided under each funding source rather than unique individuals across the organization. Clients may appropriately appear in performance reports for more than one grant when they receive services under separate eligibility requirements or at different points in time.

Recent enhancements to VOCA time entry and tracking of services provided, including capturing specific services at the time-entry level as stated in recommendation response 1, strengthen the accuracy and sustainability of performance reporting. These updates support consistent attribution of services to the appropriate funding source and ensure that services are not inaccurately reported within a single grant and instead reflect the true quantity and quality of services provided under distinct grants.

The requirements and process for opening and reopening service requests with alternative funding sources will be documented in DRVT's **Programmatic Reporting and Data Entry Manual**, which will outline time entry standards, service attribution rules, and reporting procedures to ensure clarity, consistency, and compliance with grant-specific reporting requirements. The timeframe to complete this manual, as previously indicated, is October 1, 2026.

3. Unique user access to the accounting system

Recommendation:

Ensure DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting system.

Response:

DRVT concurs with this recommendation.

Plan: DRVT has implemented unique user credentials for all staff accessing the DRVT accounting system. Access permissions are assigned based on job responsibilities.

4. Budget management and accounting controls

Recommendation:

Ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets and (2) corrections made within its accounting system ensure the accuracy and completeness of expenditures and programmatic accomplishments for the subaward.

Response:

DRVT concurs with this recommendation.

DRVT has implemented enhanced budget monitoring and grant reallocation controls to ensure that subaward-funded expenditures do not exceed approved budgets and that any accounting corrections maintain the accuracy and completeness of both financial and programmatic reporting. These controls include monthly budget-to-actual reviews by grant, ongoing monitoring of grant balances, and documented procedures for identifying, approving, and correcting overspending. DRVT's **Accounting Manual** includes detailed budget monitoring and grant reallocation procedures, which formalize the review, approval, communication, and documentation processes used when a grant approaches full expenditure or exceeds its approved funding level. These procedures ensure that time and expenses are reassigned only to eligible funding sources, supported by documentation, and reviewed and approved by management. See Attachment 2, Accounting Manual.

5. Unallowable indirect costs

Recommendation:

Remedy \$42,612 in unallowable indirect costs.

Response:

DRVT concurs with the recommendation that DRVT had been using an unapproved G&A allocation methodology. DRVT does not concur with the amount of \$42,612.

Plan: DRVT has met with Vermont CCVS to address the questioned indirect costs. DRVT has consulted with other Protection and Advocacy agencies in the Network as well. DRVT has recalculated the G&A costs based on these conversations and a new strict labor distribution allocation methodology compared to the prior G&A allocation methodology, leading us to the following findings:

- A. We've recalculated using a strict labor distribution allocation method. The results are that VOCA's actual G&A costs should have been \$7,547.78 more than what DRVT billed to VOCA. See Attachment 3, VOCA Financial Reports Revised and Submitted.

- B. While undergoing this audit process, another subcontract that DRVT receives required an adjustment to its own indirect cost rate. Therefore, going forward, the G&A costs to VOCA may increase slightly due to the removal of this other state grant from the final calculation of G&A costs. For example, if we had been using the indirect cost rate as now required by this other grant during this reporting period, VOCA's portion of the G&A expenses would have in fact been more than what DRVT ultimately billed.
- C. It would appear that the direct cost allocation method DRVT has historically used enabled DRVT to not expense as much of our G&A expenses to VOCA, allowing us to be able to spend more on the delivery of client services. It is possible for DRVT to continue with this allocation method, should CCVS elect to approve it.

6. General & Administrative (G&A) cost handling

Recommendation:

Ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.

Response:

DRVT concurs with this recommendation.

Plan: DRVT will implement a **time-based G&A cost allocation methodology** using DAD time reporting, consistent with its existing allocation practices for shared costs such as rent and employee benefits. Written policies and procedures will clearly define G&A activities and describe how these costs are allocated across funding sources. DRVT's cost allocation methodology is documented within its Accounting Manual, including Appendix B (General and Administrative Costs) and payroll allocation procedures. DRVT will update and clarify this documentation to explicitly identify it as the organization's Cost Allocation Plan and to ensure alignment with VOCA requirements. *See Attachment 2.*

Lindsey St. Amour

Lindsey St. Amour, Esq.
Executive Director

APPENDIX 4: Vermont Center for Crime Victim Services Response to the Draft Audit Report



Vermont Center for Crime Victim Services
60 South Main Street
Waterbury, VT 05676-1599
www.ccvv.vermont.gov

[phone] 802-241-1250
[phone] 800-750-1213
[fax] 802-241-1253 (Victims Compensation only)
[fax] 802-241-4337 (General fax)

Thomas O Puerzer
Regional Audit Manager
U.S. Department of Justice
Office of the Inspector General Suite 2300
Philadelphia, PA 19106
[REDACTED]

Melonie V. Threatt
Audit Liaison Specialist, Audit Coordination Branch
Audit and Review Division
(via electronic mail: OAAMAuditResponses@usdoj.gov)

RE: Draft audit report on the Audit of the Office of Justice Programs (OJP) Victim Assistance funds sub- awarded by Vermont Center for Crime Victim Services (VCCVS) to Disability Rights Vermont, Inc. Montpelier, Vermont.

Dear Mr. Puerzer and Ms. Threatt,

Please find enclosed the Vermont Center for Crime Victims responses to the OIG's Draft Audit Report received December 15, 2025, and referenced above, in addition VCCVS has received and reviewed the responses from Disability Rights Vermont, Inc. dated January 21, 2026

- 1. Ensure the DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete.**

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete by October 1, 2026.





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[fax] 802-241-4337 (General fax)

2. Ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source by October 1, 2026.

3. Ensure DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting systems.

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to ensure that DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee who accesses its accounting systems. Per DRVT letter dated January 21, 2026, this recommendation has been implemented.

4. Ensure that DRVT designs and implements budget management controls.

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets and (2) corrections made within its accounting system ensure the accuracy and completeness of expenditures and programmatic accomplishments for the subaward. Per DRVT letter dated January 21, 2026, and Attachment 2, Accounting Manual has been revised to include the recommendations (1) and (2).

5. Unallowable indirect costs, remedy \$42,612.00 in unallowable indirect costs.

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to remedy the \$42,612.00 in unallowable indirect costs. DRVT provided additional supporting information in its responses to





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remedy the questioned allowable costs. At this time VCCVS does not have adequate information on the G & A costs in question and will work with DRVT and OJP to determine if the cost methods used were accurate and acceptable no later than by October 1, 2026.

6. Ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G & A costs.

VCCVS Response:

VCCVS concurs with this recommendation and will work with OJP to ensure that DRVT has adequate policies, procedures and controls for the appropriate handling of G & A costs by October 1, 2026.

Respectfully,

A handwritten signature in cursive script that reads "Jennifer Poehlmann".

Jennifer Poehlmann, J.D.
Executive Director
Vermont Center for Crime Victim Services.



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



U.S. Department of Justice

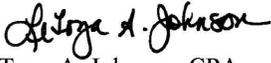
Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, DC 20531

February 12, 2026

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

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

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Vermont Center for Crime Victim Services to Disability Rights Vermont, Inc. Montpelier, Vermont*

This memorandum is in reference to your correspondence, dated December 15, 2025, transmitting the above-referenced draft audit report for Disability Rights Vermont (DRVT). DRVT received subaward funds from the Vermont Center for Crime Victim Services (VT CCVS), under the Office of Justice Programs' (OJP), Office for Victims of Crime (OVC), Victims of Crime Act (VOCA), Victim Assistance Program, Grant Numbers 15POVC-22-GG-00693-ASSI and 15POVC-23-GG-00476-ASSI. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **six** recommendations and **\$42,612** in questioned costs. The following is the OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

- 1. We recommend that OJP work with VT CCVS to ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete.**

OJP agrees with this recommendation. In its response, dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and, by October 1, 2026, would work with OJP to ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete. We will coordinate with VT CCVS to obtain a copy of DRVT's written policies and procedures.

- 2. We recommend that OJP work with VT CCVS to ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.**

OJP agrees with this recommendation. In its response, dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and, by October 1, 2026, would work with OJP to ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source. We will coordinate with VT CCVS to obtain a copy of DRVT's written policies and procedures.

- 3. We recommend that OJP work with VT CCVS to ensure that DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting system.**

OJP agrees with this recommendation. In its response, dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and would work with OJP to ensure that DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee who accesses its accounting systems. We will coordinate with VT CCVS to obtain support that DRVT has implemented adequate controls.

- 4. We recommend that OJP work with VT CCVS to ensure that DRVT designs and implements budget management controls that ensure: (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets; and (2) corrections made within its accounting system ensure the accuracy and completeness of expenditures and programmatic accomplishments for the subaward.**

OJP agrees with this recommendation. In its response dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and would work with OJP to ensure that DRVT designs and implements budget management controls to address the recommendation. We will coordinate with VT CCVS to obtain documentation to support that DRVT has designed and implemented budget management controls.

- 5. We recommend that OJP work with VT CCVS to remedy \$42,612 in unallowable indirect costs.**

OJP agrees with this recommendation. In its response, dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and, by October 1, 2026, would work with OJP to remedy the \$42,612 in unallowable indirect costs. We will work with VT CCVS to ensure it remedies the \$42,612 in unallowable indirect costs.

6. We recommend that OJP work with VT CCVS to ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.

OJP agrees with this recommendation. In its response, dated January 23, 2026, VT CCVS stated that it concurred with this recommendation and, by October 1, 2026, would work with OJP to ensure that DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs. We will coordinate with VT CCVS to obtain a copy of DRVT's written policies and procedures.

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

Tina Dimachkieh
Grant Management Specialist
Office for Victims of Crime

Nathanial Kenser
Acting Deputy General Counsel
Office of Justice Programs

cc: Phillip Merkle
Acting Director
Office of Communications

Rachel Johnson
Chief Financial Officer
Office of Justice Programs

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

Joanne M. Suttington
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Aida Brumme
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Louise Duhamel
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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 OCOM001851

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

The U.S. Department of Justice Office of the Inspector General provided a draft of this audit report to the Office of Justice Programs (OJP), the Vermont Center for Crime Victim Services (Vermont CCVS), and Disability Rights Vermont, Inc. (DRVT). OJP's response is incorporated in Appendix 5, the Vermont CCVS's response is incorporated in Appendix 4, and DRVT'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. Both Vermont CCVS and DRVT concurred 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 to work with Vermont CCVS to:

- 1. Ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services is accurate and complete.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it would coordinate with Vermont CCVS to obtain a copy of DRVT's written policies and procedures. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to ensure that DRVT develops, documents, and implements policies and procedures to capture, record, and report performance data so that the reported level of services provided is accurate and complete by October 1, 2026.

DRVT concurred with our recommendation and provided its updated Victims of Crime Act (VOCA) data collection process so that staff now identify the specific VOCA service provided at the "time entry-level" using standard time entry "actions" rather than selecting services only at the service request level. DRVT stated that this will allow it to generate performance reports directly from time data, ensuring services reported reflect actual services provided during the reporting period.

Based on our review of the recent enhancements, we determined that the changes partially address the VOCA performance reporting requirements. Based on the supporting documentation DRVT provided, it plans to assign each increment of time to different VOCA performance metrics. However, DRVT also stated that it was developing a written Programmatic Reporting and Data Entry Manual to ensure the consistency, accuracy, and completeness of reported data.

This recommendation can be closed when we receive documentation demonstrating that DRVT developed, documented, and implemented written program policies and procedures to capture, record, and report performance data so that the reported level of services is accurate and complete.

2. Ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it would coordinate with Vermont CCVS to obtain a copy of DRVT's written policies and procedures. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to ensure that DRVT develops and implements written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

DRVT concurred with our recommendation and stated in its response that recent enhancements to its time entry and tracking of services provided support consistent attribution of services to appropriate funding sources. The changes would also ensure that services are not inaccurately reported within a single grant and instead reflect the true quantity and quality of services provided under distinct grants. DRVT stated that the requirements and process for opening a service request with alternative funding sources will be documented in DRVT's Programmatic Reporting and Data Entry Manual.

Based on our review, we determined that DRVT's response was specifically focused on client services and did not address prorating the number of clients served when that may be appropriate. As a result, we determined that the proposed corrective action did not fully address the finding and recommendation.

This recommendation can be closed when we receive documentation demonstrating that DRVT developed and implemented written programmatic policies and procedures for prorating performance for clients who are served by more than one funding source.

3. Ensure DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting system.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it would coordinate with Vermont CCVS to obtain support that DRVT has implemented adequate controls. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to ensure that DRVT implements adequate controls to ensure unique usernames and passwords are required for each employee who accesses its accounting systems. Vermont CCVS stated that this recommendation has been implemented according to DRVT's response.

DRVT concurred with our recommendation and stated in its response that it has implemented unique user credentials for all staff accessing the DRVT accounting system and access permissions are assigned based on job responsibilities. DRVT also provided additional documentation to support these changes.

The records DRVT provided to support changes it made to its accounting system only included two user accounts for the original "Admin" account and a new user account for the Administrative Coordinator. Based on this information, we do not find that DRVT implemented unique usernames and passwords for all staff that have access to its accounting system. Additionally, the continued use of an "Admin" account does not address the increased risk addressed in the report.

This recommendation can be closed when we receive documentation demonstrating that DRVT implemented adequate controls to ensure unique usernames and passwords are required for each employee that accesses its accounting system.

- 4. Ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets and (2) corrections made within its accounting system ensure that accuracy and completeness of expenditures and programmatic accomplishments for the subaward.**

Resolved. OJP agreed with our recommendation. OJP stated in its response it would coordinate with Vermont CCVS to obtain documentation to support that DRVT has designed and implemented budget management controls. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to ensure that DRVT designs and implements budget management controls that ensure (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets, and (2) corrections made within its accounting system ensure that accuracy and completeness of expenditures and programmatic accomplishments for the subaward.

DRVT concurred with our recommendation and stated in its response that it has implemented enhanced budget monitoring and grant reallocation controls to ensure that subaward-funded expenditures do not exceed approved budgets, and that any accounting corrections maintain the accuracy and completeness of both financial and programmatic reporting. DRVT also stated it implemented controls in its Accounting Manual that include monthly budget-to-actual reviews by grant; ongoing monitoring of grant balances; and documented procedures for identifying, approving, and correcting overspending. DRVT stated that it is developing a Programmatic Reporting and Data Entry Manual that details its process of reallocating service requests to different funding sources. DRVT stated this typically involves closing the service request under one source and reopening it under another source while ensuring that prior services remain accurately documented and that future time and expenses are changed appropriately.

This recommendation can be closed when we receive documentation demonstrating that DRVT developed and implemented budget management controls that ensure: (1) subaward-funded expenditures recorded in its accounting system do not exceed approved budgets, and (2) corrections made within its accounting system ensure that accuracy and completeness of expenditures and programmatic accomplishments for the subaward.

5. Remedy \$42,612 in unallowable indirect costs.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it would work with Vermont CCVS to ensure it remedies the \$42,612 in unallowable indirect costs. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to remedy the \$42,612 in unallowable indirect costs. Vermont CCVS stated that DRVT provided supporting information in its response to remedy the questioned unallowable costs, but, at this time, Vermont CCVS does not have adequate information on the general and administrative (G&A) costs in question and will work with DRVT and OJP to determine if the cost methods used (in the supporting information) were accurate and acceptable, no later than October 1, 2026.

DRVT concurred with our recommendation that it used an unapproved G&A allocation methodology, but DRVT said that it did not concur with the amount of costs questioned. DRVT stated that it met with Vermont CCVS and other protection and advocacy agencies and has recalculated its G&A costs using a strict labor distribution allocation methodology. DRVT stated that (1) its actual VOCA G&A costs should have been \$7,548 higher than what had been billed (\$42,612), (2) adjustments to other funding sources' G&A rates would have caused the VOCA G&A costs to be higher, (3) its direct cost allocation method enabled DRVT to not expense as much of its G&A expenses to VOCA and be used to provide more direct services to clients. To support its response, DRVT provided revised quarterly expenditure totals, a comparison of these amounts to what was reimbursed for G&A during the subaward period, and copies of its quarterly reimbursements. DRVT did not provide (1) details of the conversations or other evidence demonstrating Vermont CCVS reviewed and approved the strict labor distribution allocation methodology, or (2) support that demonstrated how DRVT recalculated the new G&A amounts.

Based on our review of DRVT's response, we do not believe the strict labor distribution was sufficient to address and remedy the \$42,612 in G&A costs calculated using an unapproved G&A rate during the subaward period, and the new approach does not appear to be appropriate for all G&A costs charged to federal awards going forward. We determined that DRVT's revised strict labor distribution approach is the same approach DRVT used to allocate rent. During our audit, and as described in the audit report, rent was an indirect cost that was allocated directly based on direct hours. Although some of the costs that DRVT categorized as G&A may have been eligible for direct allocation in the past, we determined that any costs assigned to G&A would not be eligible for direct allocation based on DRVT's own definition of G&A. According to DRVT's Accounting Manual, G&A costs are those costs related to general administration that cannot be directly identified to benefit one program or grant but benefit the operation of the entire agency. As such, we do not believe that G&A costs, as a category, are eligible for direct cost allocation. We also do not agree with DRVT's assertion that the \$42,612 questioned costs could be offset if it had used a different G&A rate when those rates were not pre-approved or indirect costs were not included in the budget.

This recommendation can be closed when we receive documentation demonstrating that DRVT remedied \$42,612 in unallowable indirect costs.

6. Ensure DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it would coordinate with Vermont CCVS to obtain a copy of DRVT's written policies and procedures. As a result, this recommendation is resolved.

Vermont CCVS concurred with the recommendation and stated that it will work with OJP to ensure that DRVT has adequate policies and procedures and controls for the appropriate handling of G&A costs by October 1, 2026.

DRVT concurred with our recommendation and stated in its response that it will implement a time-based G&A cost allocation methodology using its Disability Advocacy Database time reporting, consistent with its existing allocation practices for shared costs such as rent and employee benefits. In addition, DRVT stated that written policies and procedures will clearly define G&A activities and describe how these costs are allocated across funding sources. Finally, DRVT stated that it will update and clarify its Accounting Manual to explicitly identify it as the organization's Cost Allocation Plan and to ensure alignment with VOCA requirements.

Based on our review of DRVT's response, and as discussed in our response to Recommendation 5 above, we determined that its proposed corrective action of charging G&A costs based on a strict labor distribution allocation methodology would not address the finding or recommendation and did not align with its own definition of G&A costs at the time of our audit. According to its DRVT Accounting Manual, G&A costs are those costs related to general administration that cannot be directly identified to benefit one program or grant but benefit the operation of the entire agency. As such, we determined that DRVT did not demonstrate in its response how its proposed approach of assigning all costs directly to federal grants, using the proposed time-based G&A cost allocation methodology, complies with the grant award requirements for indirect costs, and it does not appear as though all G&A costs would be eligible for direct allocation similar to DRVT's indirect rent costs.

This recommendation can be closed when we receive documentation demonstrating that DRVT has adequate policies, procedures, and controls for the appropriate handling of G&A costs.