



Audit of the Office of Justice Programs Victim Assistance
Funds Subawarded by the West Virginia Department of
Homeland Security Division of Administrative Services,
Justice and Community Services to the Eastern
Panhandle Empowerment Center,
Martinsburg, West Virginia



AUDIT DIVISION

26-088

SEPTEMBER 2026



EXECUTIVE SUMMARY

Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the West Virginia Department of Homeland Security Division of Administrative Services, Justice and Community Services to the Eastern Panhandle Empowerment Center, Martinsburg, West Virginia

Background

The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP) provided funds to the West Virginia Department of Homeland Security Division of Administrative Services, Justice and Community Services (West Virginia JCS) to make subawards to support victim assistance programs in West Virginia. West Virginia JCS awarded \$1,346,082 in crime victim assistance funds to the Eastern Panhandle Empowerment Center (EPEC) under two subawards in October 2023 and 2024. The purpose of the subawards was to provide direct services to domestic violence and sexual assault victims. As of January 2026, West Virginia JCS had reimbursed EPEC for a cumulative amount of \$1,062,209 for the subawards we reviewed.

Audit Objective

The objective of this DOJ Office of the Inspector General audit was to review how EPEC 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.

Recommendations

Our report contains two recommendations for OJP to work with West Virginia JCS to help EPEC improve its award management and administration. We requested a response to our draft audit report from EPEC, West Virginia JCS, and OJP officials, which can be found in Appendices 4, 5, and 6, respectively. Our analysis of those responses is included in Appendix 7.

Audit Results

Program Performance Accomplishments

We concluded that EPEC used the VOCA subawards to fund its Outreach and Shelter Services Project that served victims of domestic violence and sexual assault in West Virginia's Shenandoah Valley by providing referrals to therapists, personal advocacy, shelter, and accompaniment to court proceedings.

Financial Management

We found that EPEC had an accounting system capable of recording subaward expenses and had established guidance related to financial management. However, EPEC: (1) provided accounting records evidencing that it improperly used VOCA funds to pay an employee who did not perform VOCA-related activities, and (2) did not receive written approval from West Virginia JCS to add one of its employees to its budget. As a result, we questioned \$5,462 in unallowable personnel costs and associated travel costs. Finally, we found that West Virginia JCS did not enforce EPEC's matching requirement.

Table of Contents

Introduction	1
The Eastern Panhandle Empowerment Center.....	2
OIG Audit Approach	2
Audit Results	3
Program Performance and Accomplishments	3
Program Implementation.....	3
Program Services.....	3
Financial Management	3
Fiscal Policies and Procedures.....	4
Subaward Expenditures and Matching Costs.....	4
Reimbursement Requests and Payments.....	4
Personnel and Fringe Benefit Costs	6
Other Costs.....	7
Matching Requirement	7
Conclusion and Recommendations	8
APPENDIX 1: Objective, Scope, and Methodology	9
Objective.....	9
Scope and Methodology.....	9
Internal Controls.....	10
APPENDIX 2: Schedule of Dollar-Related Findings.....	11
APPENDIX 3: Analysis of the Eastern Panhandle Empowerment Center’s Reimbursement Requests and Payments (as of January 26, 2026)	12
APPENDIX 4: Eastern Panhandle Empowerment Center's Response to the Draft Audit Report	13
APPENDIX 5: West Virginia Department of Homeland Security Division of Administrative Services, Justice and Community Services Response to the Draft Audit Report.....	22
APPENDIX 6: Office of Justice Programs Response to the Draft Audit Report.....	25
APPENDIX 7: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report.....	28

Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) audited victim assistance funds received by the Eastern Panhandle Empowerment Center (EPEC). The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) provided this funding to the West Virginia Department of Homeland Security Division of Administrative Services Justice and Community Services (West Virginia JCS), which serves as the state administering agency (SAA) for West Virginia and makes subawards to direct service providers. As a direct service provider, EPEC received two subawards from West Virginia JCS totaling \$1,346,082 between October 1, 2023, and October 1, 2024. These funds originated from West Virginia's fiscal year (FY) 2022 and 2023 federal grants, as shown in Table 1.¹

Table 1

Audited Subawards to EPEC from West Virginia JCS

West Virginia JCS Subaward Identifier	OJP Prime Award Number	Project Start Date	Project End Date	Subaward Amount
24-VA-020	15POVC-22-GG-00812-ASSI	10/01/2023	09/30/2024	\$673,041
25-VA-020	15POVC-23-GG-00428-ASSI	10/01/2024	09/30/2025	\$673,041
Total:				\$1,346,082

Source: West Virginia JCS

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

¹ As an SAA, West Virginia JCS is responsible for ensuring subawards are used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subawards, and that subaward performance goals are achieved. We previously audited victim assistance grants awarded to West Virginia JCS and considered those results in this audit. See U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs Victim Assistance Grants Awarded to the West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services, Charleston, West Virginia](#), Audit Report 25-007 (December 2024), oig.justice.gov/reports/audit-office-justice-programs-victim-assistance-grants-awarded-west-virginia-department.

² 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.

The Eastern Panhandle Empowerment Center

Established in 1977, EPEC is a non-profit, community-based agency that operates three offices in West Virginia's Shenandoah Valley.³ EPEC's mission is to protect victims, prevent violence, and empower survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking. According to EPEC's public website, it accomplishes this mission by providing victims and survivors with the resources necessary to effectively cope with the personal, social, emotional, and legal ramifications of victimization. Currently, EPEC's VOCA-funded Outreach and Shelter Services Project provides direct services to domestic violence and sexual assault victims that include referrals to therapists, personal advocacy, shelter, and accompaniment to court proceedings. Through the project, EPEC also provides targeted outreach to historically marginalized communities to raise awareness of available services and victimization.

OIG Audit Approach

The audit objective was to review how EPEC used the VOCA funds received through subawards from West Virginia JCS to assist crime victims and assess whether EPEC 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 further understanding of victim assistance subaward oversight, as well as to evaluate subrecipient performance and administration of VOCA-funded programs, we solicited feedback from West Virginia JCS officials regarding EPEC's records of delivering crime victim services, accomplishments, and compliance with West Virginia JCS award requirements.

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; and the OVC and West Virginia JCS 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.

³ EPEC's three regional offices are located and operate in West Virginia's Berkeley, Jefferson, and Morgan counties.

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. EPEC received its VOCA funding from West Virginia JCS to provide services to domestic violence and sexual assault victims in West Virginia's Berkeley, Jefferson, and Morgan counties. Based on our review of EPEC's procedures, subaward documents, and evidence of accomplishments, we concluded that EPEC's grant activities aligned with the subawards' goals and objectives.

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 understand its standard operating procedures in relation to audited victim services, we interviewed EPEC's Executive Director and Director of Finance, as well as its contracted external accountant. We also requested EPEC's written policies and procedures that govern the VOCA-funded program. In response, EPEC officials provided presentation slides that it had used for training VOCA-funded employees, an employee manual, client intake and screening forms, and detailed job descriptions for VOCA-funded employees. We determined that EPEC had appropriate internal controls surrounding its operational processes for implementing its VOCA program.

Program Services

According to the goals of the subawards, EPEC was to provide direct services to domestic violence and sexual assault victims in three West Virginia counties. These services included referrals to therapists, personal advocacy, shelter, and accompaniment to court proceedings. To verify whether EPEC provided the aforementioned victim services to the specified groups, we interviewed EPEC's Executive Director, examined programmatic documents, and reviewed a judgmental sample of program statistics and accomplishments noted in EPEC's monthly progress reports submitted to West Virginia JCS for the reporting periods of October 1, 2023, through May 31, 2024, and February 1, 2025, through May 31, 2025.

We verified that EPEC provided evidence of allowable grant activities that aligned with the goals of the subawards.

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. We interviewed EPEC's Director of Finance and its contracted external accountant responsible for processing payroll, and we reviewed financial policies and procedures, subaward documents, and its most recent single

audit report.⁴ We also performed expenditure testing to determine whether EPEC adequately accounted for the subaward funds we audited. Overall, we concluded that EPEC had an accounting system capable of recording subaward expenses and had established guidance related to overall financial management. However, we found unallowable personnel costs, as described below.

Fiscal Policies and Procedures

To test fiscal policies and procedures, we reviewed EPEC's policies related to financial management, consulted an EPEC financial official and a representative from its external accountant regarding financial procedures, obtained records from EPEC's accounting system, and verified the execution of activities in accordance with financial procedures. EPEC policies require the Director of Finance to request reimbursement for subaward expenditures by preparing and submitting the request for reimbursement forms and supporting documentation to West Virginia JCS. The Director of Finance also reviews and completes financial reports and monthly bank reconciliations in accordance with financial procedures. Overall, we determined that EPEC's policies, procedures, and financial management systems allow it to account for federal funds and track VOCA expenditures.

Subaward Expenditures and Matching Costs

To receive subaward funds, EPEC requested reimbursement from West Virginia JCS by submitting monthly financial reports. For the subawards we audited, EPEC's approved budgets included personnel, rent, utilities, equipment, travel, training, and other costs. As of January 2026, we found that West Virginia JCS reimbursed a total of \$1,062,209 to EPEC with VOCA funds for costs incurred in these areas.

To determine whether the costs that EPEC charged to and paid for with the VOCA-funded subawards were accurate, allowable, supported, and in accordance with the VOCA program requirements, we judgmentally selected a sample of 103 transactions totaling \$104,158. The transactions we reviewed included costs in the following categories: personnel (including fringe benefits), travel, training, rent, utilities, and other costs. Unless noted below, the transactions tested were accurate, allowable, adequately supported, and compliant with VOCA program requirements.

Reimbursement Requests and Payments

According to 2 C.F.R. § 200.305, pass-through entities that use the reimbursement method to issue payments must make payments within 30 calendar days after receipt of a bill, unless the pass-through entity reasonably believes the request to be improper. West Virginia JCS's policies require: (1) its staff to process monthly financial reports within 13 business days of receipt and (2) subrecipients to submit their monthly financial reports to West Virginia JCS by the 20th day of each month. Additionally, EPEC's financial

⁴ 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.

policy includes the due date for submitting monthly financial reports and the supporting documents to West Virginia JCS to facilitate timely reimbursement of costs incurred under the subawards.

We reviewed EPEC’s monthly financial reports and West Virginia JCS’s corresponding payment records to determine whether EPEC submitted and West Virginia JCS processed reimbursement requests in accordance with the Uniform Guidance, West Virginia JCS’s policy and EPEC’s policy. As shown in Table 2 below, we found that EPEC submitted 6 of its monthly financial reports after the due date and West Virginia JCS did not reimburse EPEC within the established time frame 15 times. [Appendix 3](#) further details our analysis of EPEC’s reimbursement requests for payment from West Virginia JCS.

Table 2

Number of Late Monthly Financial Report Submissions and Payments

West Virginia JCS Subaward Identifier	Late Monthly Financial Report Submitted by EPEC	Late West Virginia JCS Payments
24-VA-020	5	3
25-VA-020	1	12
Total	6	15

Note: For subaward 24-VA-020, the late submissions did not correlate to the late reimbursements. For subaward 25-VA-020, the late submission correlated to a late reimbursement.

Source: OIG analysis of EPEC and West Virginia JCS financial records.

West Virginia JCS officials told us that most of EPEC’s reimbursement requests lacked the support required by West Virginia JCS’s policy (e.g., timesheets or paystubs), which caused an understaffed West Virginia JCS workforce to have to follow up with EPEC on missing documentation for each monthly report, contributing to the late reimbursements. Consequently, we observed that this resulted in EPEC going as long as 2 to 5 months without reimbursement from West Virginia JCS. For example, West Virginia JCS did not approve for payment EPEC’s July through September 2025 monthly financial reports for subaward 25-VA-020 until January 2026. A representative from EPEC’s external accountant told us that EPEC experienced issues receiving timely reimbursements because West Virginia JCS required EPEC to correct immaterial errors and resubmit reimbursement requests. An EPEC official told us that EPEC experienced cash flow problems because of the payment delays.

A 2024 OIG audit report identified concerns with West Virginia JCS’s subrecipient financial monitoring activities, recommending that West Virginia JCS establish adequate controls to ensure that its monitoring staff perform monthly financial reviews in compliance with West Virginia JCS’s policies.⁵ To close this recommendation, in February 2026, OJP provided the OIG West Virginia JCS’s updated policies and procedures that it implemented mid-September 2025 to ensure its staff processes financial reports in a timely manner. The updated policies and procedures describe the steps staff must perform to process

⁵ DOJ OIG, *West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services*, 8.

financial reports. Considering West Virginia JCS's implementation of the corrective actions and time needed to further refine its processes, we make no recommendation to West Virginia JCS regarding the timeliness issues that we identified in this audit. However, we recommend that OJP work with West Virginia JCS to ensure that EPEC implements and enforces controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.

Personnel and Fringe Benefit Costs

The largest cost area for which EPEC received reimbursement was personnel costs. We determined that West Virginia JCS reimbursed EPEC \$952,220 of the total \$1,062,209 (approximately 90 percent of total reimbursements) for personnel-related costs associated with the subawards in our scope. We judgmentally sampled two nonconsecutive pay periods from each subaward, which included 78 biweekly payments totaling \$74,787. We also tested \$7,496 in fringe benefit costs associated with the personnel charges in our sample. We determined that all but two transactions tested were allowable, resulting in \$5,462 in questioned costs.

The DOJ Grants Financial Guide states that charges made to federal awards for salaries, wages, and fringe benefits must be based on records that accurately reflect the work performed. We determined that EPEC did not have adequate supporting documentation for personnel costs associated with one of the transactions we tested from subaward 24-VA-020. Specifically, EPEC's general ledger identified VOCA charges of \$1,237 to pay an employee whose corresponding timesheet did not contain any VOCA-related work hours. We further reviewed EPEC's payroll records to determine whether this employee received any additional VOCA funds and found another payment for \$1,035 that did not reconcile to the employee's corresponding timesheet. An EPEC official told us that the VOCA charges were recorded in this manner in error when the payroll was processed. Therefore, we recommend that OJP work with West Virginia JCS to remedy the \$2,272 in unallowable personnel costs for subaward 24-VA-020.

We also determined that EPEC did not have adequate supporting documentation for personnel costs associated with one of the transactions we tested from subaward 25-VA-020. Consequently, we reviewed EPEC's financial records to identify any additional VOCA funds EPEC paid this employee and found travel costs associated with the employee. The award document for subaward 25-VA-020 states that EPEC must obtain prior written approval from West Virginia JCS for all project changes before those changes are executed. EPEC's financial policy also states that it must submit written requests to West Virginia JCS for any changes in project personnel. According to EPEC's payroll records, EPEC used VOCA funds to pay an employee \$3,190, but EPEC's approved award budget did not include the employee. We reviewed the modifications for subaward 25-VA-020 and found that EPEC had not obtained approval from West Virginia JCS to include the employee. Therefore, EPEC improperly used its VOCA funds to pay the employee. As we previously stated, the award document for subaward 25-VA-020 and EPEC's financial policy required EPEC to obtain written approval to change personnel; however, an EPEC official told us that a written request does not exist for this employee because West Virginia JCS told EPEC that it was not required to request approval to add the employee to the budget. As this employee was not properly approved to work on the grant prior to commencing work and charging VOCA, we question the \$3,190 in VOCA funds that EPEC paid this employee for the whole subaward. We recommend that OJP and West Virginia JCS remedy the \$3,190 in unallowable personnel and associated travel costs for subaward 25-VA-020.

Other Costs

To test other direct costs charged to the subawards, we selected a sample of 25 transactions from EPEC's accounting records. We judgmentally selected 13 transactions from subaward 24-VA-020 and 12 transactions from subaward 25-VA-020, totaling \$21,875. To perform verification testing of these expenditures, we reviewed accounting records and available supporting documentation. We determined that the transactions tested were allowable and supported.

Matching Requirement

VOCA Guidelines generally require that subrecipients match 20 percent of each subaward unless OVC waived this requirement. The purpose of this requirement is to increase the amount of resources available to VOCA projects, prompting subrecipients to obtain independent resources to leverage federal funding and encourage investment and engagement in VOCA-funded projects. Match contributions must come from non-federal sources and can be either cash or in-kind match.⁶ The SAA has primary responsibility for ensuring subrecipient compliance with the matching requirements. Additionally, match waiver requests must be supported by the SAA and justified in writing.

We found that EPEC's approved budget for subaward 25-VA-020 did not include matching costs and West Virginia JCS did not enforce the requirement post-award.⁷ Based on our discussions with EPEC officials and review of its accounting records, EPEC did not contribute matching funds (cash or in-kind) to its project's costs. An EPEC official told us that West Virginia JCS waived subrecipients' match requirements and did not require match waivers, which a West Virginia JCS official confirmed for 25-VA-020. However, neither West Virginia JCS nor EPEC could provide written evidence of a match waiver.

We believe that West Virginia JCS's lack of match waiver documentation is consistent with the deficiencies identified during our December 2024 audit of West Virginia victim assistance funds, where we found that it did not retain documentation regarding match waivers with subrecipients. In that report, we did not make a recommendation specific to the matching requirements but strongly encouraged West Virginia JCS to develop and implement a process to review VOCA-related legislation as it becomes available and update its policies and procedures to ensure compliance. However, we did recommend that West Virginia JCS update its VOCA Administrative Manual with applicable VOCA Fix and federal award requirements.⁸ We closed this recommendation in February 2026 based on West Virginia JCS's corrective actions, which included a September 2025 update to its policies and procedures requiring subrecipients to submit written requests for match waivers on agency letterhead at the time of application. We acknowledge that West Virginia JCS implemented the aforementioned corrective actions a month before this audit started; therefore, we make no recommendation.

⁶ In-kind match contributions may include donations of expendable equipment, office supplies, workshop or classroom materials, workplace, or the value of time contributed by those providing integral services to the funded project.

⁷ Match was not required for subaward 24-VA-020 following the VOCA Fix to sustain the Crime Victims Fund Act of 2021 (VOCA Fix) (Public Law No: 117-27).

⁸ DOJ OIG, *West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services*, 15.

Conclusion and Recommendations

As a result of our audit testing, we concluded that EPEC provided evidence of allowable grant activities that aligned with the goals of the subawards. We also concluded that EPEC used the VOCA subawards to fund its Outreach and Shelter Services Project that serves victims of domestic violence and sexual assault in West Virginia's Shenandoah Valley by providing referrals to therapists, personal advocacy, shelter, and accompaniment to court proceedings. We found that EPEC had an adequate accounting system for recording subaward expenses and adhered to guidance related to overall financial management. However, we concluded that EPEC: (1) did not have adequate supporting documentation for \$2,272 in personnel costs, and (2) did not receive written approval to add one of its employees to the budget, and therefore questioned a total of \$5,462. Finally, we found that West Virginia JCS did not enforce EPEC's matching requirement. We provide two recommendations to address these deficiencies.

We recommend that OJP work with West Virginia JCS to:

1. Ensure that EPEC implements and enforces controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.
2. Remedy \$5,462 in unallowable personnel and associated travel costs.

APPENDIX 1: Objective, Scope, and Methodology

Objective

The audit objective was to review how Eastern Panhandle Empowerment Center (EPEC) used the Victims of Crime Act (VOCA) funds received through subawards from West Virginia JCS 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 EPEC. These subawards, totaling \$1,346,082, were funded by West Virginia JCS from primary VOCA grants 15POVC-22-GG-00812-ASSI and 15POVC-23-GG-00428-ASSI awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). As of January 2026, West Virginia JCS had reimbursed EPEC \$1,062,209 in subaward funds.

Our audit concentrated on, but was not limited to, the period of October 2023 through September 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; West Virginia JCS guidance; and the OVC and by West Virginia JCS 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 EPEC's activities related to the audited subawards. Our work included interviewing EPEC programmatic and financial staff, examining policies and procedures, and reviewing subaward documents and financial records. We performed sample-based audit testing for subaward expenditures, including personnel and fringe benefit charges, travel, training, rent, utilities and other costs. 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 EPEC's payroll and financial systems specific to the management of DOJ funds. 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 EPEC to provide assurance on its internal control structure as a whole. EPEC 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 EPEC's internal control structure as a whole, we offer this statement solely for the information and use of EPEC, West Virginia JCS and OJP.⁹

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 EPEC's policies and procedures. We also tested the implementation and operating effectiveness of specific controls over subaward 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 audit objective, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

⁹ 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

<u>Description</u>	<u>OJP Prime Award Number</u>	<u>SAA Subaward Identifier</u>	<u>Amount</u>	<u>Page</u>
Questioned Costs: ¹⁰				
Unallowable Personnel Costs	15POVC-22-GG-00812-ASSI	24-VA-020	\$2,272	6
Unallowable Personnel Costs ¹¹	15POVC-23-GG-00428-ASSI	25-VA-020	<u>\$3,190</u>	6
Total Unallowable Costs			\$5,462	
TOTAL DOLLAR-RELATED FINDINGS			<u>\$5,462</u>	

¹⁰ **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.

¹¹ This amount includes \$3,293 of unallowable personnel costs and \$74 in associated travel costs.

APPENDIX 3: Analysis of the Eastern Panhandle Empowerment Center's Reimbursement Requests and Payments (as of January 26, 2026)

Month	EPEC Monthly Financial Report Late?	West Virginia JCS Payment Late?	Payment Amount	Number of Days EPEC Request Delayed	Number of Days West Virginia JCS Payment Delayed
Subaward 24-VA-020^a					
October	No	No	\$168,260	N/A	N/A
November	Yes	No		8	
December	Yes	No		2	
January	Yes	No	168,260	1	N/A
February	No	No		N/A	
March	Yes	No		51	
April	No	No	168,260	N/A	N/A
May	No	No		N/A	
June	Yes	No		2	
July	No	Yes	7,780	N/A	91
August	No	Yes	50,255	N/A	65
September	No	Yes	45,993	N/A	58
Total			\$608,809^b		
Subaward 25-VA-020^c					
October	Yes	Yes	\$50,556	1	131
November	No	Yes	47,249	N/A	164
December	No	Yes	46,475	N/A	140
January	No	Yes	54,805	N/A	149
February	No	Yes	47,435	N/A	125
March	No	Yes	49,551	N/A	138
April	No	Yes	49,518	N/A	122
May	No	Yes	55,593	N/A	127
June	No	Yes	52,218	N/A	124
July	No	Yes	-	N/A	135
August	No	Yes	-	N/A	103
September	No	Yes	-	N/A	68
Total			\$453,400		

Note: N/A appears when EPEC's requests for reimbursement or West Virginia JCS's payments did not exceed the required timeframe established in their respective policies and the Uniform Guidance.

^a West Virginia JCS issued advance payments to EPEC for October 2023 through June 2024.

^b Differences in the total amount are due to rounding.

^c West Virginia JCS had not issued payments related to EPEC's July through September 2025 monthly financial reports.

Source: OIG analysis of EPEC and West Virginia JCS financial records.

APPENDIX 4: Eastern Panhandle Empowerment Center's Response to the Draft Audit Report

24 HOUR HOTLINE | 304.263.8292

BERKELEY CO. OFFICE | 304.263.8622
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Office of the Inspector General
Washington Regional Audit Office
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July 8, 2026

ATTN: Shenika N. Cox, Regional Audit Manager

RE: "draft report" Audit of the Office of Justice Programs Victim Assistance
Funds - MANAGEMENT RESPONSE LETTER

To Whom it May Concern,

**Management Response to:
Reimbursement Requests and Payments Re: EPEC "late submissions"**

Eastern Panhandle Empowerment Center (EPEC) respectfully disagrees with portions of this finding and believes the conclusion does not fully reflect the circumstances surrounding the reimbursement delays under Subawards 24-VA-020 and 25-VA-020.

First, EPEC disputes the determination that five monthly financial reports under Subaward 24-VA-020 were submitted late. Following repeated requests from EPEC to West Virginia Justice and Community Services (JCS) regarding just receiving a copy of EPEC's risk assessment documentation, EPEC provided documentation to both JCS and the U.S. Department of Justice demonstrating that all monthly financial reports identified in the finding for Subaward 24-VA-020 were submitted within the required reporting deadlines. As acknowledged in the finding itself, the allegedly late submissions under 24-VA-020 did not correlate with the delayed reimbursement payments. Therefore, EPEC requests that these five instances be

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removed from the finding or revised to reflect that documentation was provided verifying timely submission.

Regarding reimbursement delays, EPEC acknowledges that one reimbursement request under Subaward 25-VA-020 required correction and resubmission. However, EPEC does not agree that the extent of the reimbursement delays can be attributed solely to deficiencies in submitted documentation. As noted in the finding, West Virginia JCS cited staffing shortages and administrative capacity challenges that contributed to delays in processing reimbursement requests. In several instances, EPEC experienced reimbursement delays ranging from two to seven months despite ongoing communication and efforts to address requested revisions. On numerous occasions, EPEC's outreach to JCS would go unanswered for weeks or even months at a time, resulting in EPEC having to call daily to get updates on delays.

EPEC recognizes its responsibility under **2 CFR §200.302 (Financial Management)** and **2 CFR §200.303 (Internal Controls)** to maintain adequate financial documentation supporting all expenditures charged to federal awards. EPEC also recognizes the requirements established by West Virginia JCS regarding reimbursement submissions and supporting documentation. Consistent with EPEC's Financial Policies and Procedures Manual, all reimbursement requests are required to include supporting documentation sufficient to demonstrate the allowability, allocability, and reasonableness of expenditures charged to grant awards.

To further strengthen compliance and reduce the likelihood of future processing delays, EPEC has implemented corrective actions that include:

1. Revision of financial procedures to include a standardized reimbursement submission checklist identifying all documentation required by West Virginia JCS prior to submission.
2. Enhanced review procedures by management and accounting staff to verify completeness and accuracy of reimbursement packets before submission.
- 3.

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4. Strengthened timesheet documentation and payroll allocation procedures to ensure supporting documentation is readily available and consistent with grant requirements.
5. Maintenance of electronic submission records and confirmation receipts for all reports and reimbursement requests to document timely submission.
6. Ongoing communication with West Virginia JCS program and fiscal staff to promptly resolve documentation questions and reduce reimbursement processing delays.

EPEC remains committed to full compliance with Uniform Guidance requirements, West Virginia JCS grant requirements, and its own internal financial management policies. EPEC will continue to work collaboratively with JCS to ensure timely submission, review, and reimbursement of grant expenditures while maintaining strong stewardship of federal funds.

EPEC concurs with the importance of maintaining complete and accurate supporting documentation for all reimbursement requests and has already implemented enhanced financial controls to strengthen compliance with Uniform Guidance, West Virginia JCS requirements, and EPEC's internal financial management policies.

Since the audit period, EPEC has revised its financial procedures to include additional management review of reimbursement requests, standardized documentation checklists, strengthened timesheet and payroll allocation procedures, and retention of submission confirmations to document timely filing of all reports and reimbursement requests. These measures are designed to ensure that all expenditures submitted for reimbursement are fully supported and compliant with applicable federal and state requirements.

However, EPEC respectfully notes that the recommendation does not fully address the ongoing challenges that continue to contribute to reimbursement delays. While the audit references corrective actions implemented by West Virginia JCS in September 2025, EPEC continues to experience significant delays in reimbursement

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processing. As of the date of this response, reimbursement requests are still frequently subject to extended review periods, and requests for corrections or additional documentation are often not communicated until several months after the original submission. In some instances, EPEC has received notification of requested revisions or corrections six to eight months after an invoice was originally submitted. And these are only received after excessive attempts to reach JCS staff by EPEC.

These delays create substantial financial hardship for victim service providers operating primarily on a reimbursement basis. EPEC has been required to maintain program operations and services for survivors of domestic violence, sexual assault, stalking, human trafficking, and related crimes while awaiting reimbursement for expenditures that were incurred months earlier. Delayed communication regarding documentation concerns significantly limits EPEC's ability to promptly address issues and contributes to prolonged reimbursement timelines. This also causes program instability, as we are not confident that we can retain staff from each pay roll to the next and we are withholding all direct client services money to maintain staffing, resulting in loss of resources for victims.

EPEC believes that timely reimbursement requires a shared commitment between subrecipients and pass-through entities. Consistent with **2 CFR §200.302**, **2 CFR §200.303**, and **2 CFR §200.344**, both parties play important roles in ensuring effective financial management and oversight of federal funds. While EPEC remains committed to submitting complete and accurate reimbursement requests, timely review and prompt communication regarding any deficiencies are equally important to achieving efficient grant administration.

Accordingly, EPEC supports continued collaboration among OJP, West Virginia JCS, and subrecipients to improve reimbursement processes, establish reasonable review timelines, and ensure that requests for additional information are communicated promptly after submission rather than several months later. Such

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improvements would better support compliance, reduce administrative burden, and help ensure the uninterrupted delivery of critical victim services throughout West Virginia.

EPEC remains committed to maintaining strong financial controls and will continue implementing measures to ensure that all reimbursement requests are supported by complete, accurate, and timely documentation.

Management Response to Finding: Alleged Unallowable Personnel Costs – Subaward 24-VA-020

EPEC respectfully disagrees with the conclusion that \$2,442 represents unallowable personnel costs charged to the VOCA subaward.

The finding is based on an internal accounting allocation error within EPEC's accounting system and does not reflect the actual costs billed to, reimbursed by, or charged against the VOCA award. Specifically, the employee identified in the finding had recently transitioned from performing activities funded by the VOCA grant to activities funded under a different grant program. During payroll processing, EPEC's external payroll accountant inadvertently coded a portion of the employee's payroll allocation to the VOCA cost center within EPEC's internal QuickBooks accounting system. As a result, the payroll records appeared to reflect a VOCA allocation despite the employee not performing VOCA-funded work during the period in question.

Importantly, while the payroll allocation was inaccurately reflected within EPEC's internal accounting records, these personnel costs were **not included in reimbursement requests submitted to West Virginia JCS under the VOCA award, were not reimbursed with VOCA funds, and were not ultimately charged to the VOCA grant.** Therefore, no federal VOCA funds were expended for these personnel costs, and there was no financial loss to the award.

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Upon identifying the coding error, EPEC immediately corrected the accounting records to properly allocate the employee's payroll expenses to the appropriate funding source. Documentation demonstrating the correction and the proper allocation of the costs has been provided to both the U.S. Department of Justice during the audit process.

EPEC acknowledges that the accounting coding error should have been identified and corrected sooner through internal review procedures. To prevent similar issues in the future, EPEC has implemented additional controls, including:

1. Enhanced review of grant coding changes when employees transition between funding sources.
2. Monthly reconciliation of payroll allocations against grant-funded positions and personnel activity documentation.
3. Improved coordination between EPEC management and external accounting personnel regarding staffing and grant assignment changes.

Because the personnel costs were not billed to, reimbursed by, or charged against the VOCA award, EPEC respectfully requests reconsideration of the characterization of these costs as "unallowable personnel costs" requiring remediation. The issue involved an internal accounting allocation error that has since been corrected, rather than an actual expenditure of VOCA funds for unsupported personnel costs.

EPEC remains committed to maintaining compliance with the DOJ Grants Financial Guide, Uniform Guidance requirements, and applicable grant management standards and has taken corrective action to strengthen internal controls over payroll coding and grant cost allocation.

Management Response to Finding: Personnel and Travel Costs Associated with Employee Added to Subaward 25-VA-020

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EPEC respectfully disagrees with the characterization of the \$3,367 in personnel costs and associated travel expenses as unallowable costs.

At the time the costs were incurred, EPEC operated under guidance historically provided by West Virginia Justice and Community Services (JCS) regarding personnel changes within approved grant budgets. Specifically, EPEC had been instructed, and many months of grant invoices had been processed this way for years, that when a position was already included and approved within the grant budget, a grant adjustment request was not required solely because a different individual was hired to fill that existing, budgeted position. Based on this understanding, EPEC believed it was acting in accordance with JCS expectations and past grant administration practices when the employee was hired into an already approved position under the VOCA award.

Importantly, the position itself was included in the approved grant budget, the duties performed by the employee were consistent with the approved scope of work, and the services provided directly supported grant objectives. The issue identified in the finding concerns whether formal written approval was required for the individual occupying the position, rather than whether the position itself was authorized or whether the work performed was allowable under the award.

During discussions related to this matter, EPEC informed auditors that no written request existed because EPEC had previously received verbal guidance from JCS indicating that approval was not required when replacing staff within an already approved budgeted position. EPEC acknowledges that this interpretation was not supported by written documentation and recognizes the importance of obtaining written approval when grant requirements may be subject to differing interpretations.

Since receiving clarification from JCS regarding its expectations, EPEC has modified its practices. EPEC now submits a Grant Adjustment Request (GAR/GAN) or other

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required written notification whenever a new employee is hired into a position funded through a JCS-administered grant, even when the position itself is already included in the approved budget. This process ensures that personnel changes are documented and approved in writing prior to charging costs to the grant.

Additionally, EPEC has implemented the following corrective measures:

1. Enhanced communication and documentation protocols with JCS program and fiscal staff regarding personnel changes.
2. Provided additional training to management and financial staff regarding grant modification and prior approval requirements.

Because the position was included in the approved award budget, the employee performed allowable grant activities within the approved scope of work, and EPEC acted in accordance with its understanding of guidance historically provided by JCS, EPEC respectfully requests reconsideration of the determination that the personnel and associated travel costs are unallowable. The issue identified is best characterized as a documentation and prior-approval matter arising from differing interpretations of administrative requirements rather than an expenditure for unallowable activities or costs outside the approved project scope.

EPEC remains committed to full compliance with grant requirements and has already implemented revised procedures to ensure that all future personnel changes affecting grant-funded positions receive the appropriate written approvals and documentation before costs are charged to the award.

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I am happy to answer any questions, clarify, and to continue to work toward better communication and productive work to keep the victims we serve at the core of the work.

Sincerely,

A handwritten signature in blue ink, appearing to read "K Spriggs".

Katie Spriggs, MSW
Executive Director
Eastern Panhandle Empowerment Center
Kspriggs@swcinc.org

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APPENDIX 5: West Virginia Department of Homeland Security Division of Administrative Services, Justice and Community Services Response to the Draft Audit Report



MICHAEL T. BAYLOUS
CABINET SECRETARY

State of West Virginia
Department of Homeland Security
Division of Administrative Services
1124 Smith Street
#2100
Charleston, WV 25301
(304) 558-2350



TINA DESMOND
DIRECTOR

July 8, 2026

Office of the Inspector General
Office of Justice Programs
U.S. Department of Justice
Audit Division
950 Pennsylvania Avenue NW
Washington, D.C. 20530

Subject: Official Response to Draft Audit Report of the Office of Justice Programs (OJP) Victim Assistance Funds subawarded by the West Virginia Department of Homeland Security Division of Administrative Services Justice and Community Services (West Virginia JCS) to the Eastern Panhandle Empowerment Center (EPEC)

Dear DOJ OIG Audit Team:

The West Virginia Division of Administrative Services, Justice and Community Services Section (JCS) appreciates the opportunity to review and respond to the draft audit report regarding the Victims of Crime Act (VOCA) Assistance subaward managed by our subrecipient, the Eastern Panhandle Empowerment Center (EPEC) program. JCS is fully committed to the programmatic and fiscal integrity of federal grant management.

Upon thorough review of the audit findings, JCS concurs with both recommendations outlined in the report. Below is our detailed corrective action plan addressing each recommendation.

Recommendation 1: Ensure that EPEC implements and enforces controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.

JCS Position: Agree.

Corrective Action Plan

- **Action Steps Taken/To Be Taken:**

- 1) Implemented JCS Policy 608: Monthly Financial and Progress Reports.
- 2) Implemented new procedures for financial submissions, requiring EPEC to use the

JCS Google Form for all reimbursement requests to ensure efficient routing and minimize processing delays.

- 3) Held a meeting between EPEC and JCS to review financial reporting documentation standards and conducted training for subgrantee staff.
- 4) Organize and mandate EPEC attendance at upcoming subgrantee financial training sessions.

- **Timeline:**

- 1) Implemented on November 26, 2024.
- 2) Implemented on January 29, 2026.
- 3) Held a meeting on May 6, 2026. Attendees were Carolann Caudill, Program Manager DAS/JCS, Katie Spriggs, EPEC Executive Director, and Krista Hart, EPEC Director of Finance.
- 4) Scheduled for September 29 – 30, 2026.

- **Monitoring and Implementation:** The Assistant Director, Program Managers, and Supervisors will oversee the implementation of this policy through periodic reviews and ensure regular training is provided. Additionally, JCS has mandated that a standardized documentation checklist be submitted with every monthly reimbursement request. JCS will withhold reimbursement approvals until all checklist items are verified, ensuring minimal processing delays.

- **Documentation:** JCS Policy 608: Monthly Financial and Progress Reports; JCS VOCA Administration Manual

Recommendation 2: Remedy \$5,809 in unallowable personnel and associated travel costs.

JCS Position: Agree.

Corrective Action Plan

- **Action Steps Taken/To Be Taken:**

- 1) Implemented JCS Policy 625: Subaward Closeout Procedures.
- 2) Transmitted formal overpayment invoice to EPEC for the identified unallowable costs.

- **Timeline:**

- 1) Implemented on November 26, 2024.
- 2) Transmitted on July 8, 2026.

- **Monitoring and Implementation:** Periodic reviews conducted by the Assistant Director,

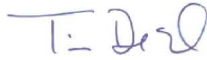
Program Managers, and Supervisors will ensure the policy is effectively implemented, and the VOCA Program Manager will oversee invoice distribution to EPEC.

- **Documentation:** JCS Policy 625: Subaward Closeout Procedures
-

Conclusion:

JCS is confident that these swift corrective measures will ensure full operational compliance with VOCA program regulations. We thank the audit team for their diligent review and guidance. If you require further clarification or additional supporting documentation, please contact my office directly at (304) 558-2350 or Tina.M.Desmond@wv.gov.

Sincerely,



Tina Desmond
Director

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

Katie Spriggs
Executive Director
Eastern Panhandle Empowerment Center

File

APPENDIX 6: 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

July 20, 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
Office of Audit, Assessment, and Management

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Funds, Subawarded by the West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services, to the Eastern Panhandle Empowerment Center, Martinsburg, West Virginia*

Digitally signed by LETOYA JOHNSON
Date: 2026.07.20 11:45:54 -0400

This memorandum is in reference to your correspondence dated June 18, 2026, transmitting the above-referenced draft audit report for the Eastern Panhandle Empowerment Center (EPEC). EPEC received subaward funds from the West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services (West Virginia JCS), under the Office of Justice Programs' (OJP), Office for Victims of Crime, Victims of Crime Act, Victim Assistance Formula Grant Program, Grant Numbers 15POVC-22-GG-00812-ASSI and 15POVC-23-GG-00428-ASSI. We consider the subject report resolved and request written acceptance of this action from your office.

The draft audit report contains **two** recommendations and **\$5,809** questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and followed by OJP's response.

- 1. We recommend that OJP work with West Virginia JCS to ensure EPEC implements and enforces controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.**

OJP agrees with this recommendation. We will coordinate with West Virginia JCS to obtain documentary evidence to support it implemented and enforced appropriate controls to

verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.

2. We recommend that OJP work with West Virginia JCS to remedy \$5,809 in unallowable personnel and associated travel costs.

OJP agrees with this recommendation. We will coordinate with West Virginia JCS to remedy the \$5,809 in unallowable question costs related personnel and associated travel costs to Grant Numbers 15POVC-22-GG-00812-ASSI and 15POVC-23-GG-00428-ASSI.

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
Office for Victims of Crime

Elizabeth Flowers
Grants Management Specialist
Office for Victims of Crime

Nathaniel T. Kenser
Acting Deputy General Counsel
Office of Justice Programs

cc: Phillip Merkle
Acting Director
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Rachel Johnson
Chief Financial Officer
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Christal McNeil-Wright
Associate Chief Financial Officer
Grants Financial Management Division
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Joanne M. Suttington
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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 OCOM002203

APPENDIX 7: 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 audit report to the Office of Justice Programs (OJP), the West Virginia Department of Homeland Security, Division of Administrative Services, Justice and Community Services (West Virginia JCS), and the Eastern Panhandle Empowerment Center (EPEC). EPEC's response is incorporated in Appendix 4, West Virginia JCS's response is incorporated in Appendix 5, and OJP's response is incorporated in Appendix 6 of this final report. In response to our draft report, OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. West Virginia JCS also agreed with our recommendations. EPEC's response expressed disagreement with portions of the audit findings, and while EPEC did not state whether it agreed or disagreed with the recommendations, EPEC detailed actions it has taken to address the recommendations. The following provides the OIG analysis of the responses and a summary of actions necessary to close the report.

Recommendations for OJP to work with West Virginia JCS to:

- 1. Ensure that EPEC implements and enforces controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.**

Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with West Virginia JCS to obtain documentary evidence demonstrating that EPEC has implemented and enforced appropriate controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.

West Virginia JCS agreed with our recommendation and, in its response, outlined an in-progress corrective action plan, which includes: (1) JCS Policy 608: Monthly Financial and Progress Reports (implemented in November 2024); (2) new procedures for financial submissions, which require EPEC to use JCS's standard form for all reimbursement requests (implemented in January 2026); (3) a May 2026 meeting with EPEC staff to review financial standards; and (4) organizing and mandating EPEC attendance at upcoming subgrantee financial training sessions scheduled for September 2026.

West Virginia JCS further stated that it will oversee the implementation through periodic reviews and ensure that regular training is provided. West Virginia JCS informed us that, to reduce reimbursement processing delays, it now requires a standardized documentation checklist with each request for reimbursement. West Virginia JCS also stated that it will not approve a request until its personnel verify that each item on the checklist has been satisfied.

In its response, EPEC disagreed with our conclusion that it needs to implement and enforce controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements. Specifically,

EPEC disagreed with our analysis of the timeliness of EPEC's reimbursement requests and stated that our conclusion does not fully reflect the circumstances surrounding the reimbursement delays experienced with the audited awards. EPEC stated that it submitted evidence that all reimbursement requests were submitted on time. The OIG reviewed the data EPEC provided, and we present in Table 2 and Appendix 3 the results of our analysis, which show that EPEC submitted five reimbursement requests after the deadline.

Regarding the reimbursement delays, we acknowledge the impact that such delays can have on subrecipients as well as the prime recipient's responsibilities for fund stewardship. As stated in the report, we previously audited West Virginia JCS's administration of the victim assistance program. That audit resulted in 17 recommendations to West Virginia JCS to improve the deficiencies we identified, including a recommendation to establish adequate controls to ensure monthly financial reviews are performed in compliance with West Virginia JCS policies. Our report provides this context and details the payment delays that EPEC experienced. As noted above, West Virginia JCS's response described actions it has taken aimed at ensuring efficient routing of reimbursement requests and minimizing delays.

Notwithstanding its stated disagreement with our recommendation, EPEC's response recognized its financial management responsibilities and described corrective actions it has implemented to strengthen compliance and reduce the likelihood of future processing delays. These corrective actions included: (1) revised financial procedures, including a reimbursement checklist, (2) enhanced review procedures requiring management and accounting staff to verify reimbursement packages, (3) strengthened timesheet documentation to ensure it is consistent with grant requirements, (4) requirements to maintain records submitted electronically to document timely submission, and (5) continued communication with West Virginia JCS staff to resolve questions and reduce delays.

This recommendation can be closed when we receive evidence that OJP has worked with West Virginia JCS to ensure EPEC has implemented and executed controls to verify that its monthly financial reports submitted for reimbursement are supported by complete and accurate documentation to reduce delays in reimbursements.

2. Remedy \$5,462 in unallowable personnel and associated travel costs.

After we shared the draft audit report with EPEC, West Virginia JCS, and OJP (and received the responses in Appendices 4 through 6), we examined the documents that EPEC provided. We determined the total cost of unallowable personnel and associated travel costs as \$5,462 rather than \$5,809 and have adjusted the questioned costs accordingly throughout this final report.

Resolved. OJP agreed with our recommendation. In its response, OJP stated that it will coordinate with West Virginia JCS to remedy the unallowable questioned costs related to personnel and associated travel costs charged to the audited subawards.

West Virginia JCS agreed with our recommendation and stated that it had transmitted a formal overpayment invoice to EPEC for the identified unallowable costs. West Virginia JCS also stated that it had implemented a new policy for subaward closeout procedures.

EPEC's response to this recommendation is divided into two sections, one related to our questioned costs associated with misallocated personnel charges and the other related to our questioned costs associated with an unapproved change in personnel.

EPEC disagreed with our identification of questioned costs associated with misallocated personnel costs. EPEC stated that the finding is based on an allocation error within its accounting system and does not reflect the actual costs billed to, reimbursed by, or charged against the VOCA award. EPEC further explained that while processing payroll, its external accountant inadvertently coded a portion of an employee's payroll allocation to the VOCA cost center, which resulted in the payroll records appearing to reflect a VOCA allocation despite the employee not performing VOCA-funded work during the project period. EPEC's general ledger provided to the OIG identified the employee's costs coded to the VOCA account. After multiple discussions, EPEC did not provide documentation that demonstrated it had corrected this coding error for the employee or that it updated its accounting records to reflect that it did not charge \$2,272 to subaward 24-VA-020. We updated this final report to clarify the deficiency we found with the general ledger records.

EPEC also disagreed with the OIG's characterization of questioned personnel and travel costs associated with an unapproved change in personnel. EPEC stated that when the costs were incurred, EPEC applied historical guidance provided by West Virginia JCS regarding personnel changes. Specifically, according to EPEC, West Virginia JCS had instructed that when a position was already included and approved within the grant budget, a grant adjustment request was not required solely because a different individual was hired to fill that existing position. Based on this understanding, EPEC believed it was acting in accordance with West Virginia JCS's expectations and past grant administration practices when a new employee was hired into an already approved position under the VOCA award.

EPEC additionally stated that since receiving clarification from West Virginia JCS regarding its expectations, EPEC has modified its practices. EPEC now submits a grant adjustment request or other required written notification whenever a new employee is hired into a position funded through a West Virginia JCS-administered grant. Further, EPEC stated that, to prevent similar issues in the future, it has implemented the following controls: (1) enhanced review of grant coding changes when an employee transitions between funding sources, (2) monthly reconciliation of payroll allocations against grant-funded positions, and (3) improved coordination between EPEC and external accounting personnel regarding staff and grant assignment changes.

This recommendation can be closed when we receive evidence that OJP has remedied the \$5,462 in unallowable questioned costs related to personnel and associated travel costs charged to the audited subawards.