



Audit of the Office of Justice Programs  
Victim Assistance Funds Subawarded by  
the Pennsylvania Commission on Crime  
and Delinquency to the Victim Services  
Center of Montgomery County, Inc.,  
Norristown, Pennsylvania



AUDIT DIVISION

24-103

REDACTED FOR PUBLIC RELEASE

*Redaction was made to the full version of the report for privacy reasons. The redaction is contained only in Appendix 3, the subrecipient's response, and is the name of an individual.*



# EXECUTIVE SUMMARY

## **Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Victim Services Center of Montgomery County, Inc., Norristown, Pennsylvania**

### **Background**

The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP) provided funds to the Pennsylvania Commission on Crime and Delinquency (Pennsylvania) to make subawards to support victim assistance programs in the Commonwealth of Pennsylvania. Pennsylvania awarded \$2,199,215 in crime victim assistance funds to the Victim Services Center of Montgomery County, Inc. (VSC), under two subawards in October 2020 and October 2023. The purpose of VSC's subawards was to provide advocacy and counseling to those affected by sexual violence and other crimes and promote awareness through educational programs to help crime victims identify their own victimization. As of June 2024, Pennsylvania had reimbursed VSC for a cumulative amount of \$1,940,223 for the subawards we reviewed.

### **Audit Objective**

The objective of this DOJ Office of the Inspector General audit was to review how VSC 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 VSC provided services to victims of crime in Montgomery County, Pennsylvania. However, we found significant deficiencies with VSC's financial management of the subawards.

#### **Program Performance Accomplishments**

The audit concluded VSC provided advocacy and counseling services to victims of crime and promoted awareness through educational programs for which it was funded. However, we found that VSC should formalize its programmatic policies and procedures to ensure compliance with VOCA requirements, enhance overall quality and reliability of program data, and facilitate the review of performance and continuity of operations.

#### **Financial Management**

We identified significant deficiencies with VSC's financial management, including a lack of grant financial management policies and procedures, insufficient tracking of VOCA expenditures within its accounting system, and inadequate documentation and fiscal reporting practices. As a result, we questioned \$1,940,223 as unsupported costs.

### **Recommendations**

Our report contains five recommendations for OJP to work with Pennsylvania to assist VSC in improving its subaward management and administration and to ensure VSC subaward funds are accounted for in accordance with the VOCA Guidelines. We requested a response to our draft audit report from VSC, Pennsylvania, and OJP officials, which can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

# Table of Contents

<b>Introduction</b> .....	<b>1</b>
Victim Services Center of Montgomery County, Inc. ....	1
OIG Audit Approach .....	2
<b>Audit Results</b> .....	<b>3</b>
Program Performance and Accomplishments .....	3
Program Implementation.....	3
Program Services.....	4
Financial Management .....	4
Accounting System .....	5
Fiscal Reporting.....	5
Subaward Expenditures .....	6
Fiscal Policies and Procedures.....	6
<b>Conclusion and Recommendations</b> .....	<b>7</b>
<b>APPENDIX 1: Objective, Scope, and Methodology</b> .....	<b>8</b>
Objective.....	8
Scope and Methodology.....	8
Internal Controls.....	9
Single Audit.....	9
<b>APPENDIX 2: Schedule of Dollar-Related Findings</b> .....	<b>10</b>
<b>APPENDIX 3: Victim Services Center of Montgomery County, Inc. Response to the Draft Audit Report</b> .....	<b>11</b>
<b>APPENDIX 4: Pennsylvania Commission on Crime and Delinquency Response to the Draft Audit Report</b> .....	<b>14</b>
<b>APPENDIX 5: The Office of Justice Programs Response to the Draft Audit Report</b> .....	<b>16</b>
<b>APPENDIX 6: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report</b> .....	<b>21</b>

## Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of victim assistance funds received by Victim Services Center of Montgomery County, Inc. (VSC), which is located in Norristown, Pennsylvania. The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) provided this funding to the Pennsylvania Commission on Crime and Delinquency (Pennsylvania), which serves as the state administering agency (SAA) for Pennsylvania and makes subawards to direct service providers. VSC received two subawards from Pennsylvania totaling \$2,199,215 in October 2020 and October 2023. These funds originated from Pennsylvania’s federal grants for fiscal years 2018, 2019, and 2021, as shown in Table 1.

**Table 1**

**Audited Subawards to VSC from Pennsylvania**

SAA Subaward Identifier	OJP Prime Award Numbers	Project Start Date	Project End Date	Subaward Amount
2018/2019-VF-05-32886	2018-V2-GX-0068	10/1/2020	9/30/2023	\$640,203
	2019-V2-GX-0026			\$1,009,209
2021-VF-05-40235	15POVC-21-GG-00594-ASSI	10/1/2023	9/30/2024	\$549,803
<b>Total:</b>				<b>\$2,199,215</b>

Source: JustGrants and Pennsylvania

Established by the Victims of Crime Act (VOCA) of 1984, the Crime Victims Fund is used to support crime victims through DOJ programs and state and local victim assistance and compensation initiatives.<sup>1</sup> According to OJP’s program guidelines, victim assistance services eligible to receive VOCA support must: (1) respond to the emotional and physical needs of crime victims, (2) assist victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, and (4) provide victims of crime with a measure of safety and security. 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.

### **Victim Services Center of Montgomery County, Inc.**

VSC is a non-profit agency serving Montgomery County, Pennsylvania. It was founded in 1974 by several women concerned about the lack of a sensitive response to victims of rape. The organization gradually

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<sup>1</sup> The VOCA Victim Assistance Formula Grant Program is funded under 34 U.S.C. § 20101. Federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments support the CVF. 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.

expanded to serve victims of other serious crimes, now offering services like crisis counseling, accompaniment to the hospital or courts, educational programs, support groups, and victim advocacy.

VSC has been a recipient of VOCA funds from Pennsylvania since at least 1998. The VOCA subawards received by VSC are to provide advocacy and counseling to those who have been affected by sexual violence and other crimes and to promote awareness in the Montgomery County community through educational programs designed to help crime victims identify their own victimization and provide or refer them to needed services.

## **OIG Audit Approach**

The objective of this audit was to review how VSC used VOCA funds, received through subawards from Pennsylvania, to assist crime victims and assess whether VSC 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 Pennsylvania officials regarding VSC's records of delivering crime victim services, accomplishments, and compliance with Pennsylvania award requirements.<sup>2</sup>

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; Pennsylvania guidance; and the OVC and Pennsylvania 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.

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<sup>2</sup> As an SAA, Pennsylvania is responsible for ensuring that VSC's subawards are used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. As such, we considered the results of our audit of victim assistance grants awarded to Pennsylvania in performing this separate review. See U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs Office for Victims of Crime Victim Assistance Formula Grants Awarded to the Pennsylvania Commission on Crime and Delinquency Harrisburg, Pennsylvania](https://oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-3), Audit Report GR-70-17-008 (September 2017), [oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-3](https://oig.justice.gov/reports/audit-office-justice-programs-office-victims-crime-victim-assistance-formula-grants-3).

# 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. VSC received its VOCA funding from Pennsylvania to provide free advocacy and counseling to those who have been affected by sexual violence and other crimes and promote awareness in the community through educational programs that are designed to help crime victims identify their own victimization and provide or refer them to needed services. We obtained an understanding of VSC's standard operating procedures in relation to the subaward-funded services. We also compared the subaward solicitations, project applications, and subaward agreements against available evidence of accomplishments to determine whether VSC demonstrated adequate progress towards providing the services for which it was funded. Overall, we concluded that VSC served victims of crime. However, we found that VSC should formalize its programmatic policies and procedures.

## 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 program officials and observed walkthroughs of its spreadsheet-based client data collection system as well as its program performance reporting system, Efforts-to-Outcome (ETO). We also requested VSC's written policies and procedures that govern the VOCA-funded program operations and data management systems used.

VSC's client data collection system, used by its advocates and clinicians, records information on clients served, the type and duration of services rendered, and case notes. ETO, required to be used by VOCA-funded victim service programs in Pennsylvania, is a standardized data collection and reporting system, and the information stored in ETO is used by Pennsylvania for Performance Measurement Tool reports.

Based on our review, we determined that VSC's client data collection and ETO systems were adequate and sufficient to collect, record, and report client information and VOCA-funded services. However, we found that VSC lacked official written policies for its data collection-related activities, and some employees relied on unofficial, piecemeal desk guides. We believe VSC would benefit from official written policies to help ensure continuity of program operations. Implementing comprehensive written policies and procedures for data collection, coupled with standardized practices, will also help ensure compliance with VOCA requirements, enhance overall quality and reliability of program data, and facilitate the review of performance. Therefore, we recommend that OJP work with Pennsylvania to ensure that VSC develops and implements written policies and procedures related to program performance data management, including collecting, documenting, and reporting performance data, and distribute these among the relevant officials and staff.

## Program Services

The primary goals of VSC's subawards were to provide advocacy and counseling to those affected by sexual violence and other crimes and promote awareness in the community through educational programs that help crime victims identify their own victimization and provide or refer them to needed services. The objectives of the subawards included victim compensation assistance, individual and group advocacy, hotline crisis intervention, community outreach, and maintaining ongoing client support, as needed. To obtain an understanding of program services provided and victims served, we conducted interviews with program officials, observed client data files, and reviewed evidence of completed outreach efforts.

The vast majority of VSC's funds were used to support its advocacy, counseling, and outreach practices, however VSC's subaward applications identified two additional victim service programs to provide with award funds: (1) the Crime Victims Law Project (CVLP), and (2) Trauma Process Yoga Group (Yoga Therapy). According to the subaward application, CVLP was intended to provide civil legal services to victims seeking emergency justice and legal representation. However, we found that—due to unforeseen workforce hiring challenges—CVLP was no longer a subaward-funded program. We confirmed that VSC submitted a modification to its original subaward and received approval from Pennsylvania to reallocate the funds to rent, parking insurance, and office supplies. Yoga Therapy was provided by VSC as an alternative method of treatment for victims of crime who were impacted emotionally, physically, and psychologically by their victimization. However, due to the COVID-19 pandemic, VSC was unable to provide in-person Yoga Therapy services. In the most recent subaward period, Yoga Therapy was to be provided to clients in-person again.

Based on the evidence reviewed during our audit, we determined that VSC provided comprehensive and coordinated services to victims of crime, ensuring they received the necessary assistance and resources to aid in their recovery.<sup>3</sup>

## Financial Management

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

As part of our audit work, we interviewed VSC's executive and fiscal staff, examined policies and procedures, and reviewed subaward documents to determine whether VSC adequately accounted for the subaward funds we audited. Overall, our audit identified significant concerns with VSC's financial management, including insufficient tracking of actual VOCA expenditures with its accounting system, inadequate documentation and fiscal reporting practices, and a lack of grant financial management policies and procedures. VSC acknowledged these issues during our fieldwork, and we also alerted Pennsylvania of our

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<sup>3</sup> As discussed in the [Accounting System](#) section, although we have substantial concerns with VSC's tracking of and accounting for subaward financial transactions, we have an acceptable level of assurance that crime victims were served with subaward funds.

concerns. Pennsylvania agreed with our concerns and immediately began working with VSC, but these issues were not resolved before the end of the audit.

## Accounting System

At the outset of our audit, VSC was unable to provide the audit team with certain subaward documentation, including the detailed and summary accounting records for all expenditures charged to the subawards. When records were provided after multiple attempts, we found that the accounting and supplemental records were incomplete, reflected the commingling of various funding sources, and did not reconcile to reimbursement records provided by Pennsylvania.

According to the Uniform Guidance, the financial management system of each non-federal entity must provide identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received. While we found that VSC's accounting system accounted for program expenses at the organization level that supported its victim services program, VSC acknowledged that it did not account for award funds separately, by funding source, as required. A VSC official told the audit team they attempted to reclassify the accounting records in response to our requests but at the time, the official did not have a full understanding of their accounting system's functions. They further explained that the organization did not use the accounting system to manage the VOCA subaward funds and that the system would not adequately support efforts to tie accounting system records to the reimbursed VOCA funds. As a result, we determined that we could not rely on VSC's accounting system records. We recommend that OJP work with Pennsylvania to ensure VSC implements an adequate accounting system that accurately accounts for federal funds awarded, including the ability to account for subaward funds separately.

## Fiscal Reporting

VSC requested reimbursement from Pennsylvania through a monthly Grant Reimbursement Request and Fiscal Report (fiscal report) via Pennsylvania's electronic grants management system. Detailed supporting documentation was not required by the electronic grants management system and was only provided for during periodic subrecipient desk reviews initiated by Pennsylvania. The fiscal reports included a listing of expenditures by line item and the total dollar amount for each subaward budget category. When Pennsylvania completed its subrecipient desk reviews of VSC, it reviewed the fiscal reports and traced transactions to supporting documentation but did not evaluate or compare the reports to VSC's official accounting records.

We interviewed VSC officials to better understand their process for completing the fiscal reports. VSC told us it had difficulty in accurately attributing salaries to the VOCA subawards due to the overlapping services its staff provides and confirmed that it used its monthly fiscal reports to Pennsylvania—instead of its accounting system—to track subaward activity. A VSC official stated that reimbursement requests for personnel and fringe expenditures were submitted to Pennsylvania using the approved budgeted dollar amount from its subaward agreement for each position (the approved annual amount divided by 12), rather than actual amounts derived from time and attendance information, payroll records, or the accounting system. VSC staff also told us all other budget categories in the fiscal reports (travel, supplies, and consultants) were based on invoices for costs incurred, but the amounts reported were not reflected within the accounting system. VSC also did not maintain a supplemental spreadsheet or other documentation to memorialize monthly fiscal report information or to show how subaward reimbursement requests were

calculated. As noted earlier, we recommend that OJP work with Pennsylvania to ensure VSC implements an adequate accounting system.

### Subaward Expenditures

For the subawards audited, VSC's approved budgets included personnel, employee benefits, travel and training, supplies and operating expenses, and consultants. As of June 2024, we found that Pennsylvania reimbursed a total of \$1,649,412 for the 2018/2019 subaward and \$290,811 for the 2021 subaward, for a total of \$1,940,223 to VSC for costs incurred in these areas.<sup>4</sup>

As described in detail above, VSC could not provide complete or reliable records of its VOCA-related expenses, the various funding streams for VSC's projects were commingled in its accounting system, and VSC submitted reimbursement requests for expenses that were not allocated to the VOCA subawards within the accounting system. As a result, we were unable to test subaward transactions and we believe that subaward funds are at risk for misuse. Therefore, we have identified the expended funds as unsupported, and we recommend that OJP ensure Pennsylvania remedies \$1,940,223 in unsupported costs for subawards 2018/2019-VF-05-32886 and 2021-VF-05-40235. In addition, we recommend that OJP work with Pennsylvania to ensure remaining subaward funds are accounted for in compliance with the VOCA Guidelines and related costs are allowable and adequately supported.

### Fiscal Policies and Procedures

VSC had general fiscal policies and procedures. However, we determined that VSC's policies and procedures were outdated and lacked mention of grant financial management, including procurement, contractors and consultants, travel and training, financial reporting, and maintenance of supporting documentation. By not having sufficient policies and procedures in place, VSC's ability to adequately manage subaward funds was hindered. We believe written grant financial management policies and procedures would help ensure compliance with the DOJ Grants Financial Guide and other federal award requirements. As a result, we recommend that OJP work with Pennsylvania to ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures.

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<sup>4</sup> Following guidance from the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, Pennsylvania subrecipients meet the federal VOCA match requirement using Commonwealth funds. We reviewed and confirmed this information with Pennsylvania and did not perform additional testing.

## Conclusion and Recommendations

The audit concluded VSC provided advocacy and counseling services to victims of crime and promoted awareness through educational programs for which it was funded. However, we found that VSC should formalize its performance data collection and reporting procedures. Our audit also identified significant issues with VSC's financial management, including a lack of grant financial management policies and procedures, insufficient tracking of actual VOCA expenditures within its accounting system, and inadequate documentation and fiscal reporting practices. We provide a total of five recommendations to address the matters we identified in our audit.

We recommend that OJP work with Pennsylvania to:

1. Ensure VSC develops and implements written policies and procedures related to program performance data management, including collecting, documenting, and reporting performance data, and distribute these among the relevant officials and staff.
2. Ensure VSC implements an adequate accounting system that accurately accounts for federal funds awarded to them, including the ability to account for subaward funds separately.
3. Remedy \$1,940,223 in unsupported costs for subawards 2018/2019-VF-05-32886 and 2021-VF-05-40235.
4. Ensure remaining subaward funds are accounted for in compliance with the VOCA Guidelines and related costs are allowable and adequately supported.
5. Ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures.

# APPENDIX 1: Objective, Scope, and Methodology

## Objective

The objective of this audit was to review how Victim Services Center of Montgomery County, Inc. (VSC) used the Victims of Crime Act (VOCA) funds received through a subaward from the Pennsylvania Commission on Crime and Delinquency (Pennsylvania) 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 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 Pennsylvania subawards to VSC. These subawards, totaling \$2,199,215, were funded from primary VOCA grants 2018-V2-GX-0068, 2019-V2-GX-0026, and 15POVC-21-GG-00594-ASSI awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). As of June 2024, Pennsylvania had reimbursed VSC \$1,940,223 in subaward funds.

Our audit concentrated on, but was not limited to, the period of March 2024 through June 2024. 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; Pennsylvania guidance; and the OVC and Pennsylvania 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 VSC's activities related to the audited subawards. Our work included conducting interviews with VSC's executive, programmatic, and financial staff, examining policies and procedures, and reviewing subaward documentation and financial records. We performed sample-based audit testing for program performance and accomplishments. 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 Pennsylvania's Fiscal Reports and the Efforts-to-Outcomes system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of VSC to provide assurance on its internal control structure as a whole. VSC'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 VSC's internal control structure as a whole, we offer this statement solely for the information and use of VSC, Pennsylvania, and DOJ.<sup>5</sup>

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 VSC's written policies and procedures. We also tested the implementation and operating effectiveness of specific controls over award execution and compliance with laws and regulations in our audit scope.

The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objective of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

## Single Audit

We reviewed VSC's single audits for the fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021.<sup>6</sup> We found that the independent auditors had issued an unqualified opinion and noted no material internal control weaknesses, deficiencies, or findings directly related to DOJ grants.

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<sup>5</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

<sup>6</sup> Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. Under the Uniform Guidance, such entities that expend \$750,000 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.

## APPENDIX 2: Schedule of Dollar-Related Findings

Description	OJP Prime Number	SAA Subaward Identifier	Amount	Page
<b>Questioned Costs:<sup>7</sup></b>				
Unsupported Costs	2018-V2-GX-0068	2018-VF-05-32886	\$640,203	6
	2019-V2-GX-0026	2019-VF-05-32886	\$1,009,209	6
	15POVC-21-GG-00594-ASSI	2021-VF-05-40235	<u>\$290,811</u>	6
Total Unsupported Costs			\$1,940,223	
<b>TOTAL DOLLAR-RELATED FINDINGS</b>			<b>\$1,940,223</b>	

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<sup>7</sup> **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: Victim Services Center of Montgomery County, Inc. Response to the Draft Audit Report



325 Swede St., 2<sup>nd</sup> Floor  
Norristown, PA 19401

**FY 2024-2025**  
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**To:** Thomas O. Puerzer  
Regional Audit Manager  
U.S. Department of Justice Office of Inspector General  
Philadelphia Regional Audit Office  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

**From:** Mary Onama, LMSW  
Executive Director  
Victim Services Center of Montgomery County Inc  
Norristown, PA 19401

**Date:** August 20, 2024

**Subject: Victim Services Center of Montgomery County Official Response to DOJ Audit Recommendations (Submitted via email)**

VSC has reviewed the audit report from DOJ and appreciates your clarification of our questions which resulted in the removal of statements on the bottom of page 5 and the middle of page 6 under subaward expenditures which were not related to VSC.

VSC agrees with the five recommendations listed in the report. The following is a description of actions completed and planned with dates of when the corrective action has been achieved, or is planned to be achieved .

1) VSC has developed written policies and procedures, and a written manual related to program performance data management, including collecting, documenting and reporting performance data which will be distributed to staff on August 26 and the policy and procedure will be effective September 3, 2024 .VSC will provide training and review of the policy and procedures and the manual will be distributed to all staff at the meeting scheduled for August 26, 2024 in the afternoon. Staff will be required to sign acknowledgement of receipt of the policy and procedures and the manual.

2) As of July 1, 2024, VSC has implemented within its existing accounting system MIP, the ability to accurately account for federal awards received and expended, including the ability to separately account for subawards. VSC's financial management system-MIP Accounting Software has assigned unique Grant Codes to specifically identify the funds or revenue stream and time frame of the grant. The attached document validates VSC's actions that reflects the above corrective action. This information has been shared with the VSC fiscal team as of July 1, 2024.

3) VSC will work with relevant staff at Pennsylvania Commission on Crime and Delinquency to remedy the \$1,940,223 to ensure that the costs for subawards 2018/2019 -VF-05-32886 and 2021-vf-05 -40235 are accounted for and that the related costs are allowable and adequately supported.

4) As of April 18, 2024, VSC has been working with [REDACTED] Administrative Officer of the Office of Financial Management and Administration Grants Management under Pennsylvania Commission on Crime and Delinquency to ensure that VSC's remaining subaward funds are accounted for in compliance with VOCA guidelines and related costs are allowable and adequately supported.

VSC has taken the following corrective actions:

- In May 2024, VSC developed written Time and Effort Reporting Procedures and distributed to all VSC staff. This policy became effective June 1, 2024. The policy was submitted to Pennsylvania Commission on Crime and Delinquency on May 1, 2024. Attached are the documents that reflect the above corrective action
- VSC employee timesheets have been revised and are completed on a daily basis reflecting the actual time worked by employees working on multiple grants. The process was implemented June 1, 2024. Attached is the revised timesheet.
- VSC has developed an Expense Report Template. This template has been approved by Pennsylvania Commission on Crime and Delinquency and has been used as of April 2024. Operating expenses will be allocated to each grant as follows: (1) Total Actual expenses incurred during the month if the staff/consultant works 100% on that Grant or (2) a predetermined % of the total actual monthly expense incurred. This percentage is developed as follows: Current Year Budget Grant Revenue/Current Year Total Agency Revenue. This % will remain constant throughout the fiscal year. Attached is the Expense Report template
- In addition to the Expense Report template, VSC is utilizing supplemental spreadsheets that includes supporting documents such as Employee timesheets, Salary/ Benefits calculation and invoices.

- Effective July 1, 2024, VSC will provide monthly financial reports illustrating revenue and expense by funding streams from VSC's accounting system. This report is provided to the VSC Board of Directors Meetings at board meetings which occurs six (6) times a year. The next Board meeting is scheduled for September 17, 2024. This report will be available for submission to DOJ after the Board meeting.

5) VSC is in the process of updating its fiscal written policies and procedures to comply with DOJ grants financial guide and federal requirements, including financial reporting and maintaining adequate supporting documents for expenditures. The written policies and procedures which will include an accounting manual is projected to be completed and effective by October 30, 2024.

Cc: Kathleen Buckley| Director  
Office of Victim Services| Pennsylvania Commission on Crime and Delinquency

# APPENDIX 4: Pennsylvania Commission on Crime and Delinquency Response to the Draft Audit Report



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY

August 23, 2024

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

Dear Mr. Puerzer,

The Pennsylvania Commission on Crime and Delinquency (PCCD) acknowledges receipt of the United States Department of Justice Office (DOJ) Office of the Inspector General (OIG) draft audit report pertaining to PCCD's subrecipient Victim Services Center of Montgomery County, Inc. (VSC). PCCD also acknowledges our responsibility to work with VSC to address the recommendations which include the resolution of questioned costs. Please find below the PCCD response to each of the five recommendations that were included in the draft audit report.

**Recommendation #1** - Ensure VSC develops and implements written policies and procedures related to program performance data management, including collecting, documenting, and reporting performance data, and distribute these among the relevant officials and staff.

Response – PCCD agrees with the recommendation and will work with VSC to verify that program performance data management policies are developed, distributed, and implemented.

**Recommendation #2** - Ensure VSC implements an adequate accounting system that accurately accounts for federal funds awarded to them, including the ability to account for subaward funds separately.

Response – PCCD agrees with the recommendation and has commenced work with VSC to verify the use of an accounting system that accurately accounts for and tracks federal funds separately.

**Recommendation #3** - Remedy \$1,940,223 in unsupported costs for subawards 2018/2019-VF-05-32886 and 2021-VF-05-40235.

Response – PCCD agrees with the recommendation and will work with VSC to address the questioned costs.

**Recommendation #4** - Ensure remaining subaward funds are accounted for in compliance with the VOCA Guidelines and related costs are allowable and adequately supported.

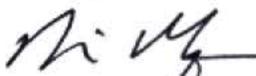
Response – PCCD agrees with the recommendation.

**Recommendation #5** - Ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures.

Response – PCCD agrees with the recommendation.

We appreciate the opportunity to review and comment on the draft audit report and appreciate the professionalism in which the audit was conducted.

Sincerely,



Derin Myers, Director  
Office of Financial Management and  
Administration

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



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

August 29, 2024

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

FROM: Jeffery A. Haley *Jeffery A. Haley*  
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 Pennsylvania Commission on Crime and Delinquency to the Victim Services Center of Montgomery County, Inc., Norristown, Pennsylvania*

This memorandum is in reference to your correspondence, dated July 31, 2024, transmitting the above-referenced draft audit report for the Victim Services Center of Montgomery County, Inc. (VSC). VSC received subaward funds from the Pennsylvania Commission on Crime and Delinquency (Pennsylvania), under the Office of Justice Programs' (OJP), Office for Victims of Crime (OVC), Victims of Crime Act (VOCA), Victim Assistance Formula Grant Program, Grant Numbers 2018-V2-GX-0068, 2019-V2-GX-0026, and 15POVC-21-GG-00594-ASSI. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains five recommendations and \$1,940,223 in questioned costs. The following is OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by OJP's response.

1. **We recommend that OJP work with Pennsylvania to ensure VSC develops and implements written policies and procedures related to program performance data management, including collecting, documenting, and reporting performance data, and distribute these among the relevant officials and staff.**

OJP agrees with the recommendation. In its response, dated August 23, 2024, Pennsylvania stated that it will work with VSC to verify that program performance data management policies are developed, distributed, and implemented.

Accordingly, we will work with Pennsylvania to obtain a copy of VSC's written policies and procedures, developed and implemented, related to program performance data management, including collecting, documenting, and reporting performance data. We will also work with Pennsylvania to obtain evidence that VSC distributed the policies and procedures to its relevant officials and staff responsible for managing Federal grant funds.

- 2. We recommend that OJP work with Pennsylvania to ensure that VSC implements an adequate accounting system that accurately accounts for Federal funds awarded to them, including the ability to account for subaward funds separately.**

OJP agrees with the recommendation. In its response, dated August 23, 2024, Pennsylvania stated that it has commenced work with VSC to verify the use of an accounting system that accurately accounts for and tracks Federal funds separately.

Accordingly, we will work with Pennsylvania to obtain a copy of VSC's written policies and procedures, developed and implemented, to ensure that its accounting system accurately accounts for Federal funds awarded to them, including the ability to account for subaward funds separately. We will also work with Pennsylvania to obtain evidence that VSC distributed the policies and procedures to its relevant officials and staff responsible for managing Federal grant funds.

- 3. We recommend that OJP work with Pennsylvania to remedy \$1,940,223 in unsupported costs for subawards 2018/2019-VF-05-32886 and 2021-VF-05-40235.**

OJP agrees with the recommendation. In its response, dated August 23, 2024, Pennsylvania stated that it will work with VSC to address the questioned costs.

Accordingly, we will review the \$1,940,223 in questioned costs, related to unsupported personnel, employee benefits, travel and training, supplies and operating expenses, and consultants' costs that were charged to the subawards, under Grant Numbers 2018-V2-GX-0068 (\$640,203), 2019-V2-GX-0026 (\$1,009,209), and 15POVC-21-GG-00594-ASSI (\$290,811), and will work with Pennsylvania to remedy, as appropriate.

- 4. We recommend that OJP work with Pennsylvania to ensure remaining subaward funds are accounted for in compliance with the VOCA Guidelines and related costs are allowable and adequately supported.**

OJP agrees with the recommendation. In its response, dated August 23, 2024, Pennsylvania agreed with the recommendation, but did not state how it would address this recommendation with VSC.

Accordingly, we will work with Pennsylvania to ensure that VSC's remaining subaward funds are properly accounted for, in compliance with the VOCA Guidelines, and that the related costs are allowable and are adequately supported.

5. **We recommend that OJP work with Pennsylvania to ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and Federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures.**

OJP agrees with the recommendation. In its response, dated August 23, 2024, Pennsylvania agreed with the recommendation, but did not state how it would address this recommendation with VSC.

Accordingly, we will work with Pennsylvania to obtain a copy of VSC's written policies and procedures, developed and implemented, to ensure compliance with the Department of Justice Grants Financial Guide and Federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures. We will also work with Pennsylvania to obtain evidence that VSC distributed the policies and procedures to its relevant officials and staff responsible for managing Federal grant funds.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Linda J. Taylor, Lead Auditor, Audit Coordination Branch, of my staff, on (202) 514-7270.

cc: Maureen A. Henneberg  
Deputy Assistant Attorney General  
for Operations and Management

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

Linda J. Taylor  
Lead Auditor, Audit Coordination Branch  
Audit and Review Division  
Office of Audit, Assessment, and Management

Kristina Rose  
Director  
Office for Victims of Crime

Katherine Darke Schmitt  
Principal Deputy Director  
Office for Victims of Crime

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

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

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

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

Frederick Rogers  
Grants Management Specialist, State Victim Resource Division  
Office for Victims of Crime

Charlotte Grzebien  
Deputy General Counsel

Katherine Brown  
Acting Director  
Office of Communications

Rachel Johnson  
Chief Financial Officer

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

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

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

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

cc: OJP Executive Secretariat  
Control Number OCOM001085

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

The U.S. Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP), Pennsylvania Commission on Crime and Delinquency (Pennsylvania), and the Victim Services Center of Montgomery County, Inc. (VSC) for review and official comment. OJP's response is incorporated in Appendix 5, Pennsylvania's response is incorporated in Appendix 4, and VSC'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. Pennsylvania agreed with all five recommendations. VSC also agreed with all five recommendations listed in the report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

### **Recommendations for OJP to work with Pennsylvania to:**

- 1. Ensure VSC develops and implements written policies and procedures related to program performance data management, including collecting, documenting, and reporting performance data, and distribute these among the relevant officials and staff.**

Resolved. OJP agreed with our recommendation. In its response, OJP stated it will work with Pennsylvania to obtain a copy of VSC's written policies and procedures and evidence that VSC distributed the policies and procedures to staff.

Pennsylvania agreed with our recommendation and stated in its response that it will work with VSC to verify that program performance data management policies are developed, distributed, and implemented.

VSC agreed with this recommendation and stated in its response that it has developed written policies and procedures, along with a manual related to program performance data management. These documents were to be distributed to staff on August 26, 2024, and the policy and procedures will become effective on September 3, 2024. VSC will provide training on the new policies and require staff to acknowledge receipt.

This recommendation can be closed when VSC has fully implemented its newly developed written policies and procedures related to program performance data management, including the distribution of these documents to all relevant staff, completion of staff training, and receipt of signed acknowledgments from staff confirming their understanding and acceptance of the policies.

- 2. Ensure VSC implements an adequate accounting system that accurately accounts for federal funds awarded to them, including the ability to account for subaward funds separately.**

Resolved. OJP agreed with our recommendation. In its response, OJP stated that it will work with Pennsylvania to obtain a copy of VSC's written policies and procedures, developed and implemented, to ensure that its accounting system accurately accounts for federal funds awarded to them, including the ability to account for subaward funds separately. OJP stated it will also work

with Pennsylvania to obtain evidence that VSC distributed the policies and procedures to its relevant officials and staff responsible for managing federal grant funds.

Pennsylvania agreed with our recommendation and stated in its response that it commenced work with VSC to verify the use of an accounting system that accurately accounts for and tracks federal funds separately.

VSC agreed with our recommendation and stated in its response that it has, as of July 1, 2024, implemented within its accounting system the ability to accurately account for federal awards, including the ability to separately account for subawards. VSC stated its financial management system now assigns unique grant codes for each revenue stream and time frame, and this corrective action has been validated and shared with the fiscal team.

This recommendation can be closed when VSC's accounting system has been validated by OJP and Pennsylvania to accurately account for federal funds, including the separate accounting for subaward funds. This includes confirmation that the system's enhancements, such as the assignment of unique grant codes, are functioning as intended.

**3. Remedy \$1,940,223 in unsupported costs for subawards 2018/2019-VF-05-32886 and 2021-VF-05-40235.**

Resolved. OJP agreed with our recommendation. In its response, OJP stated it will review the \$1,940,223 in questioned costs related to unsupported personnel, employee benefits, travel and training, supplies and operating expenses, and use of consultants that were charged to the subawards, under Grant Numbers 2018-V2-GX-0068 (\$640,203), 2019-V2-GX-0026 (\$1,009,209), and 15POVC-21-GG-00594-ASSI (\$290,811), and will work with Pennsylvania to remedy them, as appropriate.

Pennsylvania agreed with our recommendation and stated in its response that it will work with VSC to address the questioned costs.

VSC agreed with our recommendation and stated in its response that it will work with staff at Pennsylvania to remedy the \$1,940,223 in questioned costs, ensuring that the costs for the specified subawards are accounted for, allowable, and adequately supported.

This recommendation can be closed when we receive documentation demonstrating how VSC addressed the \$1,940,223 in unsupported costs charged to the subaward and that Pennsylvania and OJP have appropriately remedied these costs.

**4. Ensure remaining subaward funds are accounted for in compliance with the Victims of Crime Act (VOCA) Guidelines and related costs are allowable and adequately supported.**

Resolved. OJP agreed with our recommendation. In its response, OJP stated it will work with Pennsylvania to ensure remaining subaward funds are accounted for in compliance with the VOCA Guidelines and related costs are allowable and adequately supported.

In its response, Pennsylvania stated it agreed with our recommendation.

VSC agreed with this recommendation and stated in its response that it has taken several corrective actions, including the development and implementation of Time and Effort Reporting Procedures, revised timesheets, and an Expense Report Template approved by Pennsylvania. These procedures have been effective since June 1, 2024, and additional financial reporting measures were implemented by July 1, 2024, with reports to be submitted to the Department of Justice (DOJ) after the next Board meeting on September 17, 2024.

This recommendation can be closed when VSC has demonstrated that all remaining subaward funds are accounted for in compliance with the VOCA Guidelines, and that all related costs are both allowable and adequately supported. This includes the submission of monthly financial reports to the VSC Board of Directors and their subsequent review, starting with the September 17, 2024, Board meeting.

**5. Ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures.**

Resolved. OJP agreed with our recommendation. In its response, OJP stated it will work with Pennsylvania to ensure VSC develops and implements written policies and procedures to comply with the DOJ Grants Financial Guide and federal award requirements, including financial reporting and maintaining adequate supporting documentation for expenditures. OJP stated it will also work with Pennsylvania to obtain evidence that VSC distributed the policies and procedures to its relevant officials and staff responsible for managing federal grant funds.

In its response, Pennsylvania stated it agreed with our recommendation.

VSC agreed with our recommendation and stated in its response that it is in the process of updating its fiscal written policies and procedures to comply with the DOJ Grants Financial Guide and federal requirements. The updated policies, including an accounting manual, are projected to be completed and effective by October 30, 2024.

This recommendation can be closed when VSC has completed and implemented its updated fiscal written policies and procedures, including the creation of an accounting manual that aligns with the DOJ Grants Financial Guide and federal award requirements.