

# WEST VIRGINIA

## Single Audit



"ABRAHAM LINCOLN WALKS  
AT MIDNIGHT"

FROM POEM BY VACHEL LINDSAY

SCULPTOR

FRED MARTIN TORREY 1884-1967  
BORN IN FAIRMONT, WEST VIRGINIA

DEDICATED

JUNE 20, 1974  
ARCH A. MOORE, JR. GOVERNOR



*For the year ended June 30, 2017*

# ***STATE OF WEST VIRGINIA SINGLE AUDIT***

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***AUDITORS'***  
***REPORTS***

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## Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Jim Justice, Governor  
of the State of West Virginia

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the State of West Virginia as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the State of West Virginia's basic financial statements, and have issued our report thereon dated December 30, 2017. Our report includes a reference to other auditors who audited the financial statements of certain entities within the governmental activities, the business-type activities, the aggregate discretely presented component units, certain major funds, and the aggregate remaining fund information as described in our report on the State of West Virginia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the West Virginia Investment Management Board was not audited in accordance with *Government Auditing Standards*, the West Virginia Housing Development Fund, the West Virginia Water Development Authority, School Building Authority, and the following discretely presented component units of the Higher Education Fund discretely presented component unit: Big Green Scholarship Foundation, Inc.; Bluefield State College Foundation, Inc.; Bluefield State College Research and Development Corporation; Concord University Foundation, Inc.; Fairmont State Foundation, Inc.; Glenville State College Foundation, Inc.; The Marshall University Foundation, Inc.; New River Community and Technical College Foundation, Inc.; Provident Group-Marshall Properties, LLC; Shepherd University Foundation, Inc.; Southern West Virginia Community College Foundation, Inc.; West Liberty University Foundation, Inc.; West Virginia Northern Community College Foundation, Inc.; West Virginia School of Osteopathic Medicine Foundation, Inc.; The West Virginia State University Foundation, Inc.; and WVU at Parkersburg Foundation, Inc. were audited by other auditors and were not performed in accordance with *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the State of West Virginia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the States of West Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of West Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

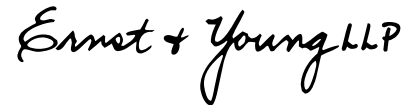
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of West Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



December 30, 2017



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## Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Honorable Jim Justice, Governor  
of the State of West Virginia

### **Report on Compliance for Each Major Federal Program**

We have audited the State of West Virginia's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the State of West Virginia's major federal programs for the year ended June 30, 2017. The State of West Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The State of West Virginia's basic financial statements include the operations of the West Virginia Housing Development Fund (a proprietary fund), and the following discretely presented component units; the West Virginia University Research Corporation, the West Virginia State University Research and Development Corporation, Marshall University Research Corporation, and West Virginia Drinking Water Treatment Revolving Loan Fund which expended \$311,218,010 collectively, in federal awards which are not included in the schedule of expenditures of federal awards during the year ended June 30, 2017. Our audit, described below, did not include the operations of this proprietary fund and these discretely presented component units, because they engaged other auditors to perform an audit of compliance in accordance with audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the State of West Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of West Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the State of West Virginia's compliance.

***Basis for Adverse Opinion on Disaster Grants – Public Assistance (Presidentially Declared Disasters)***

As described in the accompanying schedule of findings and questioned costs, the State of West Virginia did not comply with requirements of the following:

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-017	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2017-018	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring
2017-021	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management

Compliance with such requirements is necessary, in our opinion, for the State of West Virginia to comply with requirements applicable to that program.

***Adverse Opinion on Disaster Grants – Public Assistance (Presidentially Declared Disasters)***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the State of West Virginia did not comply, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Disaster Grants – Public Assistance (Presidentially Declared Disasters) for the year ended June 30, 2017.

***Basis for Qualified Opinion on Supplemental Nutrition Assistance Program (SNAP) Cluster, Rehabilitation Services Vocational Rehabilitation Grants to States, Child Care and Development Fund (CCDF) Cluster, and Adoption Assistance***

As described in the accompanying schedule of findings and questioned costs, the State of West Virginia did not comply with requirements regarding the following, individually or in the aggregate:

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-001	10.551/10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster	Special Tests and Provisions - EBT Card Security
2017-003	10.551/10.561/93.575/93.596/93.659	Supplemental Nutrition Assistance Program (SNAP) Cluster, Child Care and Development Fund (CCDF) Cluster, Adoption Assistance	Procurement and Suspension and Debarment
2017-008	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Eligibility
2017-014	93.575/93.596	Child Care and Development Fund (CCDF) Cluster	Special Tests and Provisions – Fraud Detection and Repayment
2017-015	93.659	Adoption Assistance	Eligibility

Compliance with such requirements is necessary, in our opinion, for the State of West Virginia to comply with requirements applicable to those programs.



***Qualified Opinion on Supplemental Nutrition Assistance Program (SNAP) Cluster, Rehabilitation Services Vocational Rehabilitation Grants to States, Child Care and Development Fund (CCDF) Cluster, and Adoption Assistance***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the State of West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Supplemental Nutrition Assistance Program (SNAP) Cluster, Rehabilitation Services Vocational Rehabilitation Grants to States, Child Care and Development Fund (CCDF) Cluster, and Adoption Assistance for the year ended June 30, 2017.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the State of West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs that are identified in the summary of auditors results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2017.

***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance, and which are described in the accompanying schedule of findings and questioned costs as items described and listed below:

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-005	84.007/84.033/84.038/ 84.063/84.268/84.379/ 93.264/93.342/93.364/ 93.925	Student Financial Assistance (SFA) Cluster	Special Tests and Provisions – Return of Title IV Funds
2017-007	84.007/84.033/84.038/ 84.063/84.268/84.379/ 93.264/93.342/93.364/ 93.925	Student Financial Assistance (SFA) Cluster	Special Tests and Provisions – Borrower Data Transmission and Reconciliation
2017-011	93.568	Low-Income Home Energy Assistance	Allowable Costs/Cost Principles and Eligibility
2017-012	93.568	Low-Income Home Energy Assistance	Reporting
2017-016	93.775/93.777/93.778	Medicaid Cluster	Eligibility

Our opinion on each major federal program is not modified with respect to these matters.

The State of West Virginia’s responses to the noncompliance findings identified in our audit are described in the accompanying corrective action plan. The State of West Virginia’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

**Report on Internal Control Over Compliance**

Management of the State of West Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State of West Virginia’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing

procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of West Virginia’s internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and as listed below to be material weaknesses.

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-001	10.551/10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster	Special Tests and Provisions - EBT Card Security
2017-002	10.551/10.561/93.558/93.568/93.575/93.596/93.658/93.659/93.767	Supplemental Nutrition Assistance Program (SNAP) Cluster; Temporary Assistance for Needy Families (TANF) Cluster; Low-Income Home Energy Assistance; Child Care and Development Fund (CCDF) Cluster; Foster Care—Title IV-E; Adoption Assistance; Children’s Health Insurance Program (CHIP)	Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Eligibility; Period of Availability of Federal Funds/Period of Performance; Special Tests and Provisions – ADP System for SNAP
2017-006	84.007/84.033/84.038/84.063/84.268/84.379/93.264/93.342/93.364/93.925	Student Financial Assistance (SFA) Cluster	Special Tests and Provisions – Enrollment Reporting
2017-008	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Eligibility
2017-010	93.558	Temporary Assistance for Needy Families (TANF) Cluster	Special Tests and Provisions – Child Support Non-Cooperation, Penalty for Refusal to work, and Adult Custodial Parent of Child Under Six When Child Care Not Available
2017-012	93.568	Low-Income Home Energy Assistance	Reporting
2017-013	93.575/93.596	Child Care and Development Fund (CCDF) Cluster	Allowable Costs/Cost Principles and Eligibility

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-014	93.575/93.596	Child Care and Development Fund (CCDF) Cluster	Special Tests and Provisions – Fraud Detection and Repayment
2017-015	93.659	Adoption Assistance	Eligibility
2017-017	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2017-018	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring
2017-019	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Reporting
2017-020	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Reporting
2017-021	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and as listed below to be significant deficiencies.

<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-003	10.551/10.561 93.558 93.568 93.575/93.596 93.658 93.659 93.767 93.775/93.777/93.778	Supplemental Nutrition Assistance Program (SNAP) Cluster, Temporary Assistance for Needy Families (TANF) Cluster, Low-Income Home Energy Assistance, Child Care and Development Fund (CCDF) Cluster, Foster Care— Title IV-E, Adoption Assistance, Children’s Health Insurance Program (CHIP), Medicaid Cluster	Procurement and Suspension and Debarment
2017-004	84.007/84.033/84.038/ 84.063/84.268/84.379/ 93.264/93.342/93.364/ 93.925	Student Financial Assistance (SFA) Cluster	Reporting
2017-005	84.007/84.033/84.038/ 84.063/84.268/84.379/ 93.264/93.342/93.364/ 93.925	Student Financial Assistance (SFA) Cluster	Special Tests and Provisions – Return of Title IV Funds
2017-007	84.007/84.033/84.038/ 84.063/84.268/84.379/ 93.264/93.342/93.364/ 93.925	Student Financial Assistance (SFA) Cluster	Special Tests and Provisions – Borrower Data Transmission and Reconciliation

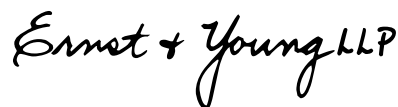
<b>Finding Number</b>	<b>CFDA Number</b>	<b>Program or Cluster Name</b>	<b>Compliance Requirement</b>
2017-009	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Reporting
2017-011	93.568	Low-Income Home Energy Assistance	Allowable Costs/Cost Principles and Eligibility
2017-016	93.775/93.777/93.778	Medicaid Cluster	Eligibility

The State of West Virginia’s response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The State of West Virginia’s responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the State of West Virginia as of and for the year ended June 30, 2017, and have issued our report thereon dated December 30, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



February 27, 2018

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***SCHEDULE OF  
EXPENDITURES  
OF FEDERAL  
AWARDS***

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STATE OF WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL GRANTOR LISTING  
FOR THE YEAR ENDING JUNE 30, 2017

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF AGRICULTURE</u>				
10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE	\$837,947	\$0	\$837,947
10.072	WETLANDS RESERVE PROGRAM	\$7,672	\$0	\$7,672
10.117	BIOFUEL INFRASTRUCTURE PARTNERSHIP	\$0	\$1,440,626	\$1,440,626
10.170	SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	\$69,111	\$108,854	\$177,965
10.171	ORGANIC CERTIFICATION COST SHARE PROGRAMS	\$10,410	\$0	\$10,410
10.202***	COOPERATIVE FORESTRY RESEARCH PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE	\$560,410	\$0	\$560,410
10.203***	HATCH ACT	\$3,212,551	\$0	\$3,212,551
10.207***	ANIMAL HEALTH AND DISEASE RESEARCH	\$10,411	\$0	\$10,411
10.216	1890 INSTITUTION CAPACITY BUILDING GRANTS COOPERATIVE AGREEMENTS WITH STATES FOR INTRASTATE MEAT	\$11,534	\$0	\$11,534
10.475	AND POULTRY INSPECTION	\$581,651	\$0	\$581,651
10.479	FOOD SAFETY COOPERATIVE AGREEMENTS	\$210,521	\$0	\$210,521
10.500	COOPERATIVE EXTENSION SERVICE	\$4,244,578	\$0	\$4,244,578
10.547	PROFESSIONAL STANDARDS FOR SCHOOL NUTRITION EMPLOYEES SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN,	\$47,168	\$0	\$47,168
10.557	INFANTS, AND CHILDREN	\$21,271,505	\$9,249,665	\$30,521,170
10.558	CHILD AND ADULT CARE FOOD PROGRAM	\$109,255	\$17,718,153	\$17,827,408
10.560	STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	\$1,990,851	\$0	\$1,990,851
10.572	WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)	\$41,145	\$0	\$41,145
10.574	TEAM NUTRITION GRANTS	\$2,155	\$260,857	\$263,012
10.575	FARM TO SCHOOL GRANT PROGRAM	\$0	\$13,302	\$13,302
10.576	SENIOR FARMERS MARKET NUTRITION PROGRAM	\$394,039	\$0	\$394,039
10.579	CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	\$0	\$159,166	\$159,166
10.582	FRESH FRUIT AND VEGETABLE PROGRAM	\$39,502	\$2,132,792	\$2,172,294
10.589	CHILD NUTRITION DIRECT CERTIFICATION PERFORMANCE AWARDS	\$266	\$0	\$266
10.664	COOPERATIVE FORESTRY ASSISTANCE SCHOOLS AND ROADS-GRANTS TO STATES AND FOREST SERVICE	\$1,060,822	\$120,269	\$1,181,091
10.665	SCHOOLS AND ROADS CLUSTER	\$306,895	\$50,457	\$357,352
10.676	FOREST LEGACY PROGRAM	\$35,377	\$0	\$35,377
10.678	FOREST STEWARDSHIP PROGRAM	\$100,339	\$0	\$100,339
10.680	FOREST HEALTH PROTECTION	\$265,781	\$0	\$265,781
10.684	INTERNATIONAL FORESTRY PROGRAMS	\$147,933	\$0	\$147,933
10.868	RURAL ENERGY FOR AMERICA PROGRAM	\$34,211	\$0	\$34,211
10.902	SOIL AND WATER CONSERVATION	\$25,991	\$0	\$25,991
10.903	SOIL SURVEY	\$28,375	\$0	\$28,375
10.904	WATERSHED PROTECTION AND FLOOD PREVENTION	\$18,312	\$0	\$18,312
10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	\$223,922	\$0	\$223,922
10.913	FARM AND RANCH LANDS PROTECTION PROGRAM	\$43,302	\$0	\$43,302
10.916	WATERSHED REHABILITATION PROGRAM	\$1,718,957	\$0	\$1,718,957
<b>SNAP CLUSTER</b>				
10.551	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL	\$490,482,593	\$0	\$490,482,593
10.561	NUTRITION ASSISTANCE PROGRAM	\$16,959,910	\$4,272,993	\$21,232,903
	<b>TOTAL SNAP CLUSTER</b>	<b>\$507,442,503</b>	<b>\$4,272,993</b>	<b>\$511,715,496</b>
<b>CHILD NUTRITION CLUSTER</b>				
10.553	SCHOOL BREAKFAST PROGRAM (SBP)	\$181,959	\$42,911,372	\$43,093,331
10.555	NATIONAL SCHOOL LUNCH PROGRAM (NSLP)	\$10,645,522	\$80,998,592	\$91,644,114
10.556	SPECIAL MILK PROGRAM FOR CHILDREN (SMP)	\$0	\$16,159	\$16,159
10.559	SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (SFSPC)	\$68,991	\$1,625,188	\$1,694,179
	<b>TOTAL CHILD NUTRITION CLUSTER</b>	<b>\$10,896,472</b>	<b>\$125,551,311</b>	<b>\$136,447,783</b>
<b>FOOD DISTRIBUTION CLUSTER</b>				
10.565	COMMODITY SUPPLEMENTAL FOOD PROGRAM	\$183,294	\$45,979	\$229,273
10.568	EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	\$38,435	\$414,317	\$452,752
10.569	EMERGENCY FOOD ASSISTANCE PROGRAM (FOOD COMMODITIES)	\$3,400,010	\$0	\$3,400,010
	<b>TOTAL FOOD DISTRIBUTION CLUSTER</b>	<b>\$3,621,739</b>	<b>\$460,296</b>	<b>\$4,082,035</b>
15-JV-11261975-070	THE IMPACT OF CLIMATE CHANGE ON COASTAL ALASKA FOREST	\$22,100	\$0	\$22,100
2017-CR-11062759-	NATIONAL VISITOR USE MONITORING	\$103,911	\$0	\$103,911
NFS 2010-CR-	REGION 6 ROUND 3 NVMU	\$376,045	\$0	\$376,045
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>		<b>\$560,125,669</b>	<b>\$161,538,741</b>	<b>\$721,664,410</b>

**STATE OF WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL GRANTOR LISTING  
FOR THE YEAR ENDING JUNE 30, 2017**

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF COMMERCE</u>				
11.549	STATE AND LOCAL IMPLEMENTATION GRANT PROGRAM	\$218,416	\$0	\$218,416
11.620	SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH	\$32,003	\$0	\$32,003
<b>TOTAL DEPARTMENT OF COMMERCE</b>		<b>\$250,419</b>	<b>\$0</b>	<b>\$250,419</b>
<u>DEPARTMENT OF DEFENSE</u>				
12.113	STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE	\$274,248	\$0	\$274,248
12.400	MILITARY CONSTRUCTION, NATIONAL GUARD	\$207,029	\$0	\$207,029
12.401	NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M)	\$25,843,425	\$0	\$25,843,425
12.404	NATIONAL GUARD CHALLENGE PROGRAM	\$4,549,952	\$0	\$4,549,952
12.617	ECONOMIC ADJUSTMENT ASSISTANCE FOR STATE GOVERNMENTS	\$201,254	\$0	\$201,254
12.900	LANGUAGE GRANT PROGRAM	\$31,137	\$57,449	\$88,586
<b>TOTAL DEPARTMENT OF DEFENSE</b>		<b>\$31,107,045</b>	<b>\$57,449</b>	<b>\$31,164,494</b>
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
14.110	MANUFACTURED HOME LOAN INSURANCE-FINANCING PURCHASE OF MANUFACTURED HOMES AS PRINCIPAL RESIDENCES OF BORROWERS COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND	\$99,169	\$0	\$99,169
14.228	NON-ENTITLEMENT GRANTS IN HAWAII	\$461,375	\$9,534,252	\$9,995,627
14.231	EMERGENCY SOLUTIONS GRANT PROGRAM	\$45,991	\$1,343,409	\$1,389,400
14.241	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	\$6,694	\$331,902	\$338,596
14.400	EQUAL OPPORTUNITY IN HOUSING	\$86,082	\$0	\$86,082
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>		<b>\$699,311</b>	<b>\$11,209,563</b>	<b>\$11,908,874</b>
<u>DEPARTMENT OF THE INTERIOR</u>				
15.250	REGULATION OF SURFACE COAL MINING AND SURFACE EFFECTS OF UNDERGROUND COAL MINING	\$11,481,189	\$0	\$11,481,189
15.252	ABANDONED MINE LAND RECLAMATION (AMLR) SCIENCE AND TECHNOLOGY PROJECTS RELATED TO COAL MINING	\$21,333,324	\$12,856,572	\$34,189,896
15.255	AND RECLAMATION	\$32,160	\$0	\$32,160
15.433	FLOOD CONTROL ACT LANDS	\$63,656	\$30,711	\$94,367
15.608	FISH AND WILDLIFE MANAGEMENT ASSISTANCE	\$49,000	\$0	\$49,000
15.612	ENDANGERED SPECIES CONSERVATION	\$40,695	\$0	\$40,695
15.615	COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND	\$52,757	\$0	\$52,757
15.634	STATE WILDLIFE GRANTS ENDANGERED SPECIES CONSERVATION - RECOVERY	\$697,510	\$0	\$697,510
15.657	IMPLEMENTATION FUNDS	\$60,343	\$0	\$60,343
15.808	U.S. GEOLOGICAL SURVEY - RESEARCH AND DATA COLLECTION	\$54,014	\$0	\$54,014
15.810	NATIONAL COOPERATIVE GEOLOGIC MAPPING	\$73,761	\$0	\$73,761
15.812	COOPERATIVE RESEARCH UNITS PROGRAM	\$24,268	\$0	\$24,268
15.814	NATIONAL GEOLOGICAL AND GEOPHYSICAL DATA PRESERVATION	\$19,553	\$0	\$19,553
15.904	HISTORIC PRESERVATION FUND GRANTS-IN-AID	\$624,471	\$147,882	\$772,353
15.916	OUTDOOR RECREATION-ACQUISITION, DEVELOPMENT AND PLANNING	\$32,337	\$263,450	\$295,787
15.922	NATIVE AMERICAN GRAVES PROTECTION AND REPATRIATION ACT	\$734	\$0	\$734
15.939	NATIONAL HERITAGE AREA FEDERAL FINANCIAL ASSISTANCE	\$282,234	\$0	\$282,234
15.944	NATURAL RESOURCE STEWARDSHIP COOPERATIVE RESEARCH AND TRAINING PROGRAMS - RESOURCES	\$8,330	\$0	\$8,330
15.945	OF THE NATIONAL PARK SYSTEM	\$39,364	\$0	\$39,364
<b>FISH AND WILDLIFE CLUSTER</b>				
15.605	SPORT FISH RESTORATION	\$10,983,955	\$0	\$10,983,955
15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	\$5,680,365	\$0	\$5,680,365
<b>TOTAL FISH AND WILDLIFE CLUSTER</b>		<b>\$16,664,320</b>	<b>\$0</b>	<b>\$16,664,320</b>
<b>TOTAL DEPARTMENT OF THE INTERIOR</b>		<b>\$51,634,020</b>	<b>\$13,298,615</b>	<b>\$64,932,635</b>
<u>DEPARTMENT OF JUSTICE</u>				
16.017	SEXUAL ASSAULT SERVICES FORMULA PROGRAM	\$1,475	\$362,753	\$364,228
16.523	JUVENILE ACCOUNTABILITY BLOCK GRANTS GRANTS TO REDUCE DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ON CAMPUS	\$446	\$551	\$997
16.525	ENHANCED TRAINING AND SERVICES TO END VIOLENCE AND ABUSE OF WOMEN LATER IN LIFE	\$175,094	\$0	\$175,094
16.528	JUVENILE JUSTICE AND DELINQUENCY PREVENTION	\$1,384	\$75,076	\$76,460
16.540	MISSING CHILDREN'S ASSISTANCE	\$75,641	\$349,179	\$424,820
16.543	STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS	\$446,799	\$0	\$446,799
16.550	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)	\$69,330	\$65,346	\$134,676
16.554		\$1,002,185	\$0	\$1,002,185

**STATE OF WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL GRANTOR LISTING  
FOR THE YEAR ENDING JUNE 30, 2017**

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
	CRIMINAL JUSTICE RESEARCH AND DEVELOPMENT-GRADUATE			
16.562	RESEARCH FELLOWSHIPS	\$106,232	\$0	\$106,232
16.575	CRIME VICTIM ASSISTANCE	\$504,531	\$4,795,145	\$5,299,676
16.576	CRIME VICTIM COMPENSATION	\$400,000	\$0	\$400,000
16.579	EDWARD BYRNE MEMORIAL FORMULA GRANT PROGRAM	\$1,465,642	\$1,008,439	\$2,474,081
16.582	CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	\$0	\$25,713	\$25,713
16.585	DRUG COURT DISCRETIONARY GRANT PROGRAM	\$600,855	\$0	\$600,855
16.588	VIOLENCE AGAINST WOMEN FORMULA GRANTS	\$344,387	\$969,788	\$1,314,175
	RURAL DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ASSISTANCE PROGRAM	\$6,052	\$153,062	\$159,114
16.589	GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS PROGRAM	\$173,397	\$453,245	\$626,642
16.590	RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	\$136,908	\$0	\$136,908
16.593	PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	\$139,198	\$0	\$139,198
16.710	PREA PROGRAM: DEMONSTRATION PROJECTS TO ESTABLISH "ZERO TOLERANCE" CULTURES FOR SEXUAL ASSAULT IN CORRECTIONAL FACILITIES	\$0	\$17,448	\$17,448
16.735	EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	\$92,440	\$0	\$92,440
16.738	DNA BACKLOG REDUCTION PROGRAM	\$315,172	\$0	\$315,172
16.741	PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	\$67,920	\$0	\$67,920
16.742	CRIMINAL AND JUVENILE JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM	\$5,458	\$0	\$5,458
16.745	NICS ACT RECORD IMPROVEMENT PROGRAM	\$1,854,410	\$0	\$1,854,410
16.813	JOHN R. JUSTICE PROSECUTORS AND DEFENDERS INCENTIVE ACT	\$26,634	\$0	\$26,634
16.816	BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM	\$2,919	\$0	\$2,919
16.817	NATIONAL SEXUAL ASSAULT KIT INITIATIVE	\$109,910	\$38,018	\$147,928
16.833	MISCELLANEOUS JUSTICE PROGRAMS	\$608,574	\$0	\$608,574
2001100	REGIONAL COMMUNITY POLICING INSTITUTE	\$22,189	\$0	\$22,189
2001HSWXK035	EQUITABLE SHARING PROGRAM-JUSTICE	\$116,294	\$0	\$116,294
E/S-JUSTICE	PURDUE PHARMA SETTLEMENT	\$169,639	\$0	\$169,639
PURDUE				
<b>TOTAL DEPARTMENT OF JUSTICE</b>		<b>\$9,041,115</b>	<b>\$8,313,763</b>	<b>\$17,354,878</b>
<b>DEPARTMENT OF LABOR</b>				
17.002	LABOR FORCE STATISTICS	\$567,188	\$0	\$567,188
17.005	COMPENSATION AND WORKING CONDITIONS	\$69,960	\$0	\$69,960
17.225	UNEMPLOYMENT INSURANCE (NOTE 4)	\$390,059,841	\$0	\$390,059,841
17.235	SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	\$69,011	\$992,312	\$1,061,323
17.245	TRADE ADJUSTMENT ASSISTANCE	\$2,574,253	\$0	\$2,574,253
17.268	H-1B JOB TRAINING GRANTS	\$211,201	\$0	\$211,201
17.269	COMMUNITY BASED JOB TRAINING GRANTS	\$35,214	\$0	\$35,214
17.271	WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)	\$181,685	\$0	\$181,685
17.273	TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS WIOA NATIONAL DISLOCATED WORKER GRANTS/WIA NATIONAL	(\$14,405)	\$0	(\$14,405)
17.277	EMERGENCY GRANTS TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE AND	\$2,012,100	\$7,923,672	\$9,935,772
17.282	CAREER TRAINING (TAACCCT) GRANTS	\$7,989,457	\$0	\$7,989,457
17.285	APPRENTICESHIP USA GRANTS	\$15,407	\$0	\$15,407
17.504	CONSULTATION AGREEMENTS	\$382,388	\$0	\$382,388
17.600	MINE HEALTH AND SAFETY GRANTS	\$662,798	\$0	\$662,798
17.999	MISCELLANEOUS LABOR PROGRAMS	(\$132,484)	\$0	(\$132,484)
<b>EMPLOYMENT SERVICE CLUSTER</b>				
17.207	EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	\$5,544,227	\$0	\$5,544,227
17.801	DISABLED VETERANS' OUTREACH PROGRAM (DVOP)	\$564,032	\$0	\$564,032
17.804	LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE (LVER) PROGRAM	\$159,859	\$0	\$159,859
<b>TOTAL EMPLOYMENT SERVICE CLUSTER</b>		<b>\$6,268,118</b>	<b>\$0</b>	<b>\$6,268,118</b>
<b>WIOA CLUSTER</b>				
17.258	WIA/WIOA - ADULT PROGRAM	\$210,571	\$4,332,982	\$4,543,553
17.259	WIA/WIOA - YOUTH ACTIVITIES	\$490,830	\$4,386,491	\$4,877,321
17.278	WIA/WIOA DISLOCATED WORKER FORMULA GRANTS	\$1,714,233	\$4,331,411	\$6,045,644
<b>TOTAL WIOA CLUSTER</b>		<b>\$2,415,634</b>	<b>\$13,050,884</b>	<b>\$15,466,518</b>
<b>TOTAL DEPARTMENT OF LABOR</b>		<b>\$413,367,366</b>	<b>\$21,966,868</b>	<b>\$435,334,234</b>



STATE OF WEST VIRGINIA  
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FEDERAL GRANTOR LISTING  
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FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF STATE</u>				
19.009	ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS	\$40,208	\$0	\$40,208
<u>TOTAL DEPARTMENT OF STATE</u>		<u>\$40,208</u>	<u>\$0</u>	<u>\$40,208</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
20.205*	HIGHWAY PLANNING AND CONSTRUCTION	\$420,715,935	\$5,568,998	\$426,284,933
20.218	NATIONAL MOTOR CARRIER SAFETY	\$1,640,969	\$0	\$1,640,969
20.219*	RECREATIONAL TRAILS PROGRAM	\$531,412	\$0	\$531,412
20.232	COMMERCIAL DRIVER'S LICENSE PROGRAM IMPLEMENTATION GRANT	\$29,509	\$0	\$29,509
20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY GRANTS AND COOPERATIVE AGREEMENTS	\$955,776	\$0	\$955,776
20.505	METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH	\$5,279	\$64,544	\$69,823
20.509	FORMULA GRANTS FOR RURAL AREAS	\$1,299,862	\$5,099,477	\$6,399,339
20.514	PUBLIC TRANSPORTATION RESEARCH	\$35,868	\$0	\$35,868
20.528	RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEM STATE SAFETY OVERSIGHT FORMULA GRANT PROGRAM	\$87,124	\$0	\$87,124
20.607	ALCOHOL OPEN CONTAINER REQUIREMENTS	\$3,894,431	\$773,344	\$4,667,775
20.614	NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) DISCRETIONARY SAFETY GRANTS AND COOPERATIVE AGREEMENTS	\$49,924	\$0	\$49,924
20.700	PIPELINE SAFETY PROGRAM STATE BASE GRANT	\$703,115	\$0	\$703,115
20.703	INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	\$406,319	\$89,322	\$495,641
20.724	PIPELINE SAFETY RESEARCH COMPETITIVE ACADEMIC AGREEMENT PROGRAM (CAAP)	\$226,384	\$0	\$226,384
20.933	NATIONAL INFRASTRUCTURE INVESTMENTS	\$2,745,534	\$0	\$2,745,534
				\$0
				\$0
	<b>FEDERAL TRANSIT CLUSTER</b>			
20.500	FEDERAL TRANSIT - CAPITAL INVESTMENT GRANTS	\$1,194,922	\$0	\$1,194,922
20.526	BUS AND BUS FACILITIES FORMULA PROGRAM	\$450,414	\$0	\$450,414
	<b>TOTAL FEDERAL TRANSIT CLUSTER</b>	<b>\$1,645,336</b>	<b>\$0</b>	<b>\$1,645,336</b>
	<b>TRANSIT SERVICES PROGRAMS CLUSTER</b>			
20.513	ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	\$639,971	\$782,912	\$1,422,883
20.521	NEW FREEDOM PROGRAM	\$124,075	\$11,664	\$135,739
	<b>TOTAL TRANSIT SERVICES PROGRAMS CLUSTER</b>	<b>\$764,046</b>	<b>\$794,576</b>	<b>\$1,558,622</b>
	<b>HIGHWAY SAFETY CLUSTER</b>			
20.600	STATE AND COMMUNITY HIGHWAY SAFETY	\$1,070,698	\$982,741	\$2,053,439
20.601	ALCOHOL IMPAIRED DRIVING COUNTERMEASURES INCENTIVE GRANTS I	\$338,914	\$223,382	\$562,296
20.609	SAFETY BELT PERFORMANCE GRANTS	\$0	\$115,624	\$115,624
20.610	STATE TRAFFIC SAFETY INFORMATION SYSTEM IMPROVEMENTS GRANTS	\$718,815	\$0	\$718,815
20.612	INCENTIVE GRANT PROGRAM TO INCREASE MOTORCYCLIST SAFETY	\$42,547	\$4,553	\$47,100
20.613	CHILD SAFETY AND CHILD BOOSTER SEAT INCENTIVE GRANTS	\$41,519	\$14,195	\$55,714
20.616	NATIONAL PRIORITY SAFETY PROGRAMS	\$1,148,805	\$1,471,570	\$2,620,375
	<b>TOTAL HIGHWAY SAFETY CLUSTER</b>	<b>\$3,361,298</b>	<b>\$2,812,065</b>	<b>\$6,173,363</b>
<u>TOTAL DEPARTMENT OF TRANSPORTATION</u>		<u>\$439,098,121</u>	<u>\$15,202,326</u>	<u>\$454,300,447</u>
<u>DEPARTMENT OF THE TREASURY</u>				
E/S-TREASURY	EQUITABLE SHARING PROGRAM-TREASURY	\$1,329	\$0	\$1,329
<u>TOTAL DEPARTMENT OF THE TREASURY</u>		<u>\$1,329</u>	<u>\$0</u>	<u>\$1,329</u>
<u>APPALACHIAN REGIONAL COMMISSION</u>				
23.001	APPALACHIAN REGIONAL DEVELOPMENT	\$4,500	\$0	\$4,500
23.002	APPALACHIAN AREA DEVELOPMENT	\$487,995	\$1,029,873	\$1,517,868
23.003*	APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM	\$13,700,375	\$0	\$13,700,375
<u>TOTAL APPALACHIAN REGIONAL COMMISSION</u>		<u>\$14,192,870</u>	<u>\$1,029,873</u>	<u>\$15,222,743</u>
<u>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>				
30.001	EMPLOYMENT DISCRIMINATION-TITLE VII OF THE CIVIL RIGHTS ACT OF 1964	\$141,018	\$0	\$141,018
<u>TOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>		<u>\$141,018</u>	<u>\$0</u>	<u>\$141,018</u>

**STATE OF WEST VIRGINIA  
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FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>GENERAL SERVICES ADMINISTRATION</u>				
39.003	DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY	\$101,674	\$0	\$101,674
<u>TOTAL GENERAL SERVICES ADMINISTRATION</u>		<u>\$101,674</u>	<u>\$0</u>	<u>\$101,674</u>
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
43.001	SCIENCE	\$307,419	\$0	\$307,419
43.008	EDUCATION (NOTE 3)	\$44,049	\$0	\$44,049
<u>TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>		<u>\$351,468</u>	<u>\$0</u>	<u>\$351,468</u>
<u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
45.025	PROMOTION OF THE ARTS-PARTNERSHIP AGREEMENTS	\$304,099	\$521,559	\$825,658
45.163	PROMOTION OF THE HUMANITIES-PROFESSIONAL DEVELOPMENT	\$113,876	\$0	\$113,876
45.310	GRANTS TO STATES	\$1,089,792	\$208,527	\$1,298,319
<u>TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>		<u>\$1,507,767</u>	<u>\$730,086</u>	<u>\$2,237,853</u>
<u>NATIONAL SCIENCE FOUNDATION</u>				
47.049***	MATHEMATICAL AND PHYSICAL SCIENCES	\$26,960	\$0	\$26,960
47.076***	EDUCATION AND HUMAN RESOURCES	\$791,493	\$0	\$791,493
47.081***	OFFICE OF EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH	\$315,937	\$3,828,987	\$4,144,924
<u>TOTAL NATIONAL SCIENCE FOUNDATION</u>		<u>\$1,134,390</u>	<u>\$3,828,987</u>	<u>\$4,963,377</u>
<u>SMALL BUSINESS ADMINISTRATION</u>				
59.037	SMALL BUSINESS DEVELOPMENT CENTERS	\$716,395	\$0	\$716,395
59.061	STATE TRADE EXPANSION	\$9,755	\$119,827	\$129,582
59.064	ENTREPRENEURIAL DEVELOPMENT DISASTER ASSISTANCE (DISASTER RELIEF APPROPRIATIONS ACT)	\$37,782	\$0	\$37,782
<u>TOTAL SMALL BUSINESS ADMINISTRATION</u>		<u>\$763,932</u>	<u>\$119,827</u>	<u>\$883,759</u>
<u>DEPARTMENT OF VETERANS AFFAIRS</u>				
64.015	VETERANS STATE NURSING HOME CARE	\$7,624,297	\$0	\$7,624,297
64.028	POST-9/11 VETERANS EDUCATIONAL ASSISTANCE	\$260,862	\$0	\$260,862
64.124	ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE	\$146,115	\$0	\$146,115
64.203	VETERANS CEMETERY GRANTS PROGRAM	\$126,040	\$0	\$126,040
IPA	GEOGRAPHICAL DIFFERENCES IN PREVENTABLE HOSPITALIZATIONS AMONG VETERANS WITH DIABETES	\$26,955	\$0	\$26,955
<u>TOTAL DEPARTMENT OF VETERANS AFFAIRS</u>		<u>\$8,184,269</u>	<u>\$0</u>	<u>\$8,184,269</u>
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
66.001	AIR POLLUTION CONTROL PROGRAM SUPPORT	\$1,521,643	\$0	\$1,521,643
66.032	STATE INDOOR RADON GRANTS	\$92,276	\$66,525	\$158,801
66.034	SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT	\$399,156	\$0	\$399,156
66.202	CONGRESSIONALLY MANDATED PROJECTS	\$1,544	\$0	\$1,544
66.204	MULTIPURPOSE GRANTS TO STATES AND TRIBES	\$105,202	\$0	\$105,202
66.419	WATER POLLUTION CONTROL STATE, INTERSTATE, AND TRIBAL PROGRAM SUPPORT	\$2,111,984	\$0	\$2,111,984
66.432	STATE PUBLIC WATER SYSTEM SUPERVISION	\$626,184	\$0	\$626,184
66.433	STATE UNDERGROUND WATER SOURCE PROTECTION	\$132,326	\$0	\$132,326
66.454	WATER QUALITY MANAGEMENT PLANNING	\$140,281	\$97,978	\$238,259
66.458	CAPITALIZATION GRANTS FOR CLEAN WATER STATE REVOLVING FUNDS AND CLEAN WATER STATE REVOLVING FUND CLUSTER	\$0	\$20,829,000	\$20,829,000
66.460	NONPOINT SOURCE IMPLEMENTATION GRANTS	\$871,491	\$983,898	\$1,855,389
66.461	REGIONAL WETLAND PROGRAM DEVELOPMENT GRANTS	\$157,676	\$0	\$157,676
66.466	CHESAPEAKE BAY PROGRAM	\$1,670,709	\$394,054	\$2,064,763
66.468	CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS AND DRINKING WATER STATE REVOLVING FUND CLUSTER	\$2,082,573	\$230,127	\$2,312,700
66.605	PERFORMANCE PARTNERSHIP GRANTS	\$343,301	\$0	\$343,301
66.608	ENVIRONMENTAL INFORMATION EXCHANGE NETWORK GRANT PROGRAM AND RELATED ASSISTANCE	\$848	\$0	\$848
66.701	TOXIC SUBSTANCES COMPLIANCE MONITORING COOPERATIVE AGREEMENTS	\$137,336	\$0	\$137,336
66.707	TSCA TITLE IV STATE LEAD GRANTS CERTIFICATION OF LEAD-BASED PAINT PROFESSIONALS	\$162,575	\$0	\$162,575
66.708	POLLUTION PREVENTION GRANTS PROGRAM	\$23,629	\$0	\$23,629
66.801	HAZARDOUS WASTE MANAGEMENT STATE PROGRAM SUPPORT	\$2,671,939	\$0	\$2,671,939

**STATE OF WEST VIRGINIA  
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FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
66.802	SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE-SPECIFIC COOPERATIVE AGREEMENTS	\$277,232	\$0	\$277,232
66.804	UNDERGROUND STORAGE TANK PREVENTION, DETECTION AND COMPLIANCE PROGRAM	\$637,444	\$0	\$637,444
66.805	LEAKING UNDERGROUND STORAGE TANK TRUST FUND CORRECTIVE ACTION PROGRAM	\$777,550	\$0	\$777,550
66.809	SUPERFUND STATE AND INDIAN TRIBE CORE PROGRAM COOPERATIVE AGREEMENTS	\$206,813	\$0	\$206,813
66.818	BROWNFIELD ASSESSMENT AND CLEANUP COOPERATIVE AGREEMENTS	\$188,807	\$0	\$188,807
DEPMISCFED01	MISC. FEDERAL AWARD PROGRAMS	(\$1,089,257)	\$0	(\$1,089,257)
<u>ENVIRONMENTAL PROTECTION AGENCY</u>		<b>\$14,251,262</b>	<b>\$22,601,582</b>	<b>\$36,852,844</b>
<u>DEPARTMENT OF ENERGY</u>				
81.041	STATE ENERGY PROGRAM	\$441,324	\$59,095	\$500,419
81.042	WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	\$373,805	\$2,598,375	\$2,972,180
81.057	UNIVERSITY COAL RESEARCH	\$78,642	\$0	\$78,642
81.086	CONSERVATION RESEARCH AND DEVELOPMENT	\$14,907	\$0	\$14,907
81.089***	FOSSIL ENERGY RESEARCH AND DEVELOPMENT (NOTE 3) ENERGY EFFICIENCY AND RENEWABLE ENERGY INFORMATION DISSEMINATION, OUTREACH, TRAINING AND TECHNICAL ANALYSIS/ASSISTANCE	\$71,149	\$0	\$71,149
81.117	ANALYSIS/ASSISTANCE	\$350,171	\$0	\$350,171
CONTRACT 188074	VOLUNTARY SECURITY ENHANCEMENTS AND MAINTENANCE	\$60,358	\$0	\$60,358
OIL	PETROLEUM VIOLATION ESCROW FUNDS	\$34,737	\$15,199	\$49,936
<u>TOTAL DEPARTMENT OF ENERGY</u>		<b>\$1,425,093</b>	<b>\$2,672,669</b>	<b>\$4,097,762</b>
<u>DEPARTMENT OF EDUCATION</u>				
84.002	ADULT EDUCATION - BASIC GRANTS TO STATES	\$403,708	\$2,820,626	\$3,224,334
84.007**	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (FSEOG)	\$3,712,211	\$0	\$3,712,211
84.010	TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES	\$698,687	\$86,872,605	\$87,571,292
84.013	TITLE I STATE AGENCY PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN AND YOUTH	\$1,415,648	\$0	\$1,415,648
84.031	HIGHER EDUCATION-INSTITUTIONAL AID	\$3,652,641	\$0	\$3,652,641
84.033**	FEDERAL WORK-STUDY PROGRAM (FWS)	\$3,703,424	\$0	\$3,703,424
84.038**	FEDERAL PERKINS LOAN (FPL) - FEDERAL CAPITAL CONTRIBUTIONS	\$48,084,820	\$0	\$48,084,820
84.048	CAREER AND TECHNICAL EDUCATION-BASIC GRANTS TO STATES	\$2,892,068	\$5,036,852	\$7,928,920
84.063**	FEDERAL PELL GRANT PROGRAM (PELL)	\$111,523,092	\$0	\$111,523,092
84.083	WOMEN'S EDUCATIONAL EQUITY ACT PROGRAM	\$5,291	\$0	\$5,291
84.126	REHABILITATION SERVICES-VOCATIONAL REHABILITATION GRANTS TO STATES	\$35,999,729	\$4,424,372	\$40,424,101
84.169	INDEPENDENT LIVING-STATE GRANTS	\$0	\$88,731	\$88,731
84.177	INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND	\$243,760	\$0	\$243,760
84.181	SPECIAL EDUCATION - GRANTS FOR INFANTS AND FAMILIES SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	\$1,712,552	\$538,219	\$2,250,771
84.187	EDUCATION FOR HOMELESS CHILDREN AND YOUTH	\$150,000	\$0	\$150,000
84.196	FEDERAL DIRECT STUDENT LOANS	\$70,898	\$336,765	\$407,663
84.268**	TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS	\$464,565,207	\$0	\$464,565,207
84.287	SPECIAL EDUCATION-TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	\$267,431	\$6,535,790	\$6,803,221
84.326	ADVANCED PLACEMENT PROGRAM (ADVANCED PLACEMENT TEST FEE; ADVANCED PLACEMENT INCENTIVE PROGRAM GRANTS)	\$122,897	\$1,443	\$124,340
84.330	GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	\$10,000	\$0	\$10,000
84.334	CHILD CARE ACCESS MEANS PARENTS IN SCHOOL	\$1,736,797	\$1,155,029	\$2,891,826
84.335	RURAL EDUCATION	\$132,646	\$0	\$132,646
84.358	ENGLISH LANGUAGE ACQUISITION STATE GRANTS	\$132,608	\$2,218,883	\$2,351,491
84.365	MATHEMATICS AND SCIENCE PARTNERSHIPS	\$147,648	\$476,256	\$623,904
84.366	SUPPORTING EFFECTIVE INSTRUCTION STATE GRANT	\$467,193	\$304,221	\$771,414
84.367	GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES	\$435,988	\$18,823,438	\$19,259,426
84.369	STATEWIDE LONGITUDINAL DATA SYSTEMS	\$2,693,438	\$0	\$2,693,438
84.372	NATIONAL SCIENCE AND MATHEMATICS ACCESS TO RETAIN TALENT (SMART) GRANTS (SMART GRANTS)	\$124,528	\$0	\$124,528
84.376	SCHOOL IMPROVEMENT GRANTS	\$43,627	\$0	\$43,627
84.377	COLLEGE ACCESS CHALLENGE GRANT PROGRAM	\$31,340	\$1,531,521	\$1,562,861
84.378		\$442,535	\$0	\$442,535

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84.379**	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)	\$538,063	\$0	\$538,063
<b>SPECIAL EDUCATION CLUSTER (IDEA)</b>				
84.027	SPECIAL EDUCATION-GRANTS TO STATES (IDEA, PART B)	\$5,484,014	\$67,248,487	\$72,732,501
84.173	SPECIAL EDUCATION-PRESCHOOL GRANTS (IDEA PRESCHOOL)	\$255,414	\$2,840,748	\$3,096,162
<b>TOTAL SPECIAL EDUCATION CLUSTER (IDEA)</b>		<b>\$5,739,428</b>	<b>\$70,089,235</b>	<b>\$75,828,663</b>
<b>TRIO CLUSTER</b>				
84.042	TRIO-STUDENT SUPPORT SERVICES	\$1,402,664	\$0	\$1,402,664
84.044	TRIO-TALENT SEARCH	\$252,276	\$0	\$252,276
84.047	TRIO-UPWARD BOUND	\$1,876,363	\$0	\$1,876,363
84.066	TRIO-EDUCATIONAL OPPORTUNITY CENTERS	\$228,395	\$0	\$228,395
84.217	TRIO-MCNAIR POST-BACCALAUREATE ACHIEVEMENT	\$508,421	\$0	\$508,421
<b>TOTAL TRIO CLUSTER</b>		<b>\$4,268,119</b>	<b>\$0</b>	<b>\$4,268,119</b>
C013764E	AHE APPALACHIAN REGIONAL	\$1,526	\$0	\$1,526
ED-03-CO-0058	PERFORMANCE BASED DATA MANAGEMENT INITIATIVE	\$65,613	\$0	\$65,613
ED-IES-14-C-NAEP 2014	NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS	\$130,935	\$0	\$130,935
<b>TOTAL DEPARTMENT OF EDUCATION</b>		<b>\$696,366,096</b>	<b>\$201,253,986</b>	<b>\$897,620,082</b>
<b>ELECTION ASSISTANCE COMMISSION</b>				
90.401	HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	\$262,379	\$0	\$262,379
<b>TOTAL ELECTION ASSISTANCE COMMISSION</b>		<b>\$262,379</b>	<b>\$0</b>	<b>\$262,379</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
93.041	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 3- PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	\$9,829	\$5,091	\$14,920
93.042	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 2-LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$91,625	\$4,578	\$96,203
93.043	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART D-DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	\$28,476	\$141,784	\$170,260
93.048	SPECIAL PROGRAMS FOR THE AGING-TITLE IV AND TITLE II - DISCRETIONARY PROJECTS	\$57,726	\$54,000	\$111,726
93.051	ALZHEIMER'S DISEASE DEMONSTRATION GRANTS TO STATES	\$29,414	\$35,000	\$64,414
93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$13,760	\$941,359	\$955,119
93.069	PUBLIC HEALTH EMERGENCY PREPAREDNESS	\$72,686	\$0	\$72,686
93.070	ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE	\$63,471	\$0	\$63,471
93.071	MEDICARE ENROLLMENT ASSISTANCE PROGRAM	\$1,413	\$157,961	\$159,374
93.073	BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE	\$50,611	\$0	\$50,611
93.074	HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	\$2,828,405	\$3,974,424	\$6,802,829
93.079	COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	\$74,469	\$510	\$74,979
93.090	GUARDIANSHIP ASSISTANCE	\$1,066,694	\$0	\$1,066,694
93.092	AFFORDABLE CARE ACT (ACA) PERSONAL RESPONSIBILITY EDUCATION PROGRAM	\$13,060	\$199,589	\$212,649
93.094	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION	\$290,308	\$128,568	\$418,876
93.103	FOOD AND DRUG ADMINISTRATION-RESEARCH	\$826,554	\$0	\$826,554
93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR	\$102,526	\$166,200	\$268,726
93.116	TUBERCULOSIS CONTROL PROGRAMS	\$158,497	\$0	\$158,497
93.127	EMERGENCY MEDICAL SERVICES FOR CHILDREN	\$117,041	\$14,397	\$131,438
93.130	COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	\$72,754	\$100,000	\$172,754
93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	\$56,287	\$696,070	\$752,357
93.150	PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	\$1,851	\$294,352	\$296,203
93.165	GRANTS TO STATES FOR LOAN REPAYMENT PROGRAM	\$0	\$130,000	\$130,000
93.217	FAMILY PLANNING-SERVICES	\$2,229,903	\$0	\$2,229,903

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93.234	TRAUMATIC BRAIN INJURY STATE DEMONSTRATION GRANT PROGRAM	\$235,523	\$0	\$235,523
93.235	AFFORDABLE CARE ACT (ACA) ABSTINENCE EDUCATION PROGRAM GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE	\$3,696	\$295,781	\$299,477
93.236	ACTIVITIES	\$83,490	\$583,476	\$666,966
93.241	STATE RURAL HOSPITAL FLEXIBILITY PROGRAM SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES_PROJECTS OF	\$151,361	\$450,670	\$602,031
93.243	REGIONAL AND NATIONAL SIGNIFICANCE	\$450,473	\$4,997,742	\$5,448,215
93.251	UNIVERSAL NEWBORN HEARING SCREENING	\$57,201	\$60,568	\$117,769
93.264**	NURSE FACULTY LOAN PROGRAM (NFLP)	\$221,380	\$0	\$221,380
93.268	IMMUNIZATION COOPERATIVE AGREEMENTS	\$433,914	\$220,824	\$654,738
93.270	VIRAL HEPATITIS PREVENTION AND CONTROL CENTERS FOR DISEASE CONTROL AND PREVENTION_INVESTIGATIONS	\$71,058	\$0	\$71,058
93.283	AND TECHNICAL ASSISTANCE	\$2,431,076	\$498,690	\$2,929,766
93.301	SMALL RURAL HOSPITAL IMPROVEMENT GRANT PROGRAM	\$0	\$267,205	\$267,205
93.305	NATIONAL STATE BASED TOBACCO CONTROL PROGRAMS OUTREACH PROGRAMS TO REDUCE THE PREVALENCE OF OBESITY IN	\$716,036	\$234,414	\$950,450
93.319	HIGH RISK RURAL AREAS EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS	\$463,438	\$0	\$463,438
93.323	DISEASES (ELC)	\$1,013,208	\$0	\$1,013,208
93.324	STATE HEALTH INSURANCE ASSISTANCE PROGRAM	\$22,278	\$0	\$22,278
93.336	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE	(\$64,029)	\$0	(\$64,029)
93.342**	LOANS AND LOANS FOR DISADVANTAGED STUDENTS (HPSL/PCL/LDS)	\$6,740,538	\$0	\$6,740,538
93.359	NURSE EDUCATION, PRACTICE QUALITY AND RETENTION GRANTS	\$457,041	\$0	\$457,041
93.364**	NURSING STUDENT LOANS (NSL)	\$714,507	\$0	\$714,507
93.389***	NATIONAL CENTER FOR RESEARCH RESOURCES	\$17,273	\$0	\$17,273
93.393***	CANCER CAUSE AND PREVENTION RESEARCH NON-ACA/PPHF - BUILDING CAPACITY OF THE PUBLIC HEALTH SYSTEM	\$1,758	\$0	\$1,758
93.424	TO IMPROVE POPULATION HEALTH THROUGH NATIONAL NONPROFIT ORGANIZATIONS	\$18,008	\$0	\$18,008
93.506	ACA NATIONWIDE PROGRAM FOR NATIONAL AND STATE BACKGROUND CHECKS FOR DIRECT PATIENT ACCESS EMPLOYEES OF LONG TERM CARE FACILITIES AND PROVIDERS	\$842,800	\$5,063	\$847,863
93.511	AFFORDABLE CARE ACT (ACA) GRANTS TO STATES FOR HEALTH INSURANCE PREMIUM REVIEW	\$83,935	\$0	\$83,935
93.521	THE AFFORDABLE CARE ACT: BUILDING EPIDEMIOLOGY, LABORATORY, AND HEALTH INFORMATION SYSTEMS CAPACITY IN THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASE (ELC) AND EMERGING INFECTIONS PROGRAM (EIP)	\$370,057	\$201,944	\$572,001
93.524	COOPERATIVE AGREEMENTS;PPHF BUILDING CAPACITY OF THE PUBLIC HEALTH SYSTEM TO IMPROVE POPULATION HEALTH THROUGH NATIONAL, NON-PROFIT ORGANIZATIONS- FINANCED IN PART BY PREVENTION AND PUBLIC PPHF CAPACITY BUILDING ASSISTANCE TO STRENGTHEN PUBLIC HEALTH IMMUNIZATION INFRASTRUCTURE AND PERFORMANCE	\$1,000	\$15,000	\$16,000
93.539	FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS	\$628,246	\$569,417	\$1,197,663
93.556	PROMOTING SAFE AND STABLE FAMILIES TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) STATE PROGRAMS AND TANF CLUSTER	\$1,263,289	\$690,215	\$1,953,504
93.558	PROGRAMS AND TANF CLUSTER	\$67,967,578	\$9,823,884	\$77,791,462
93.560	FAMILY SUPPORT PAYMENTS TO STATES-ASSISTANCE PAYMENTS	\$44,742	\$0	\$44,742
93.563	CHILD SUPPORT ENFORCEMENT REFUGEE AND ENTRANT ASSISTANCE-STATE ADMINISTERED PROGRAMS	\$26,562,832	\$0	\$26,562,832
93.566	PROGRAMS	\$4,188	\$75,000	\$79,188
93.568	LOW-INCOME HOME ENERGY ASSISTANCE	\$23,117,457	\$5,286,218	\$28,403,675
93.569	COMMUNITY SERVICES BLOCK GRANTS	\$396,317	\$7,669,266	\$8,065,583
93.586	STATE COURT IMPROVEMENT PROGRAM	\$260,826	\$0	\$260,826
93.590	COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	\$0	\$245,196	\$245,196
93.597	GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS	\$87,528	\$0	\$87,528
93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	\$699,649	\$16,990	\$716,639
93.600	HEAD START	\$28,159	\$77,067	\$105,226
93.603	ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS	\$4,205,511	\$233,544	\$4,439,055
93.609	THE AFFORDABLE CARE ACT - MEDICAID ADULT QUALITY GRANTS ACA - STATE INNOVATION MODELS: FUNDING FOR MODEL DESIGN AND	\$330,071	\$0	\$330,071
93.624	MODEL TESTING ASSISTANCE DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	\$546,581	\$2,819	\$549,400
93.630	GRANTS	\$211,964	\$348,060	\$560,024
93.643	CHILDREN'S JUSTICE GRANTS TO STATES	\$124,660	\$0	\$124,660
93.645	STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM	\$2,103,762	\$0	\$2,103,762

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93.658	FOSTER CARE-TITLE IV-E	\$45,031,327	\$3,802,653	\$48,833,980
93.659	ADOPTION ASSISTANCE	\$39,687,324	\$0	\$39,687,324
93.667	SOCIAL SERVICES BLOCK GRANT	\$20,109,058	\$0	\$20,109,058
93.669	CHILD ABUSE AND NEGLECT STATE GRANTS FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE	\$0	\$115,981	\$115,981
93.671	SHELTER AND SUPPORTIVE SERVICES	\$1,552	\$953,209	\$954,761
93.674	CHAFEE FOSTER CARE INDEPENDENCE PROGRAM	\$1,242,722	\$775,913	\$2,018,635
93.701***	ARRA - TRANS-NIH RECOVERY ACT RESEARCH SUPPORT (NOTE 3) CAPACITY BUILDING ASSISTANCE TO STRENGTHEN PUBLIC HEALTH IMMUNIZATION INFRASTRUCTURE AND PERFORMANCE - FINANCED IN PART BY THE PREVENTION AND PUBLIC HEALTH FUND (PPHF)	\$2,000	\$0	\$2,000
93.733	STATE PUBLIC HEALTH APPROACHES FOR ENSURING QUITLINE CAPACITY - FUNDED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$542,367	\$0	\$542,367
93.735	PPHF: HEALTH CARE SURVEILLANCE/HEALTH STATISTICS- SURVEILLANCE PROGRAM ANNOUNCEMENT: BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$153,040	\$0	\$153,040
93.745	PPHF COOPERATIVE AGREEMENTS FOR PRESCRIPTION DRUG MONITORING PROGRAM ELECTRONIC HEALTH RECORD (HER)	\$148,660	\$0	\$148,660
93.748	INTEGRATION AND INTEROPERABILITY EXPANSION CHILD LEAD POISONING PREVENTION SURVEILLANCE FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH (PPHF) PROGRAM	\$160,291	\$50,000	\$210,291
93.753	STATE AND LOCAL PUBLIC HEALTH ACTIONS TO PREVENT OBESITY, DIABETES, HEART DISEASE, AND STROKE (PPHF)	\$160,276	\$0	\$160,276
93.757	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$609,344	\$251,169	\$860,513
93.758	CHILDREN'S HEALTH INSURANCE PROGRAM	\$656,547	\$763,464	\$1,420,011
93.767	CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) RESEARCH, DEMONSTRATIONS AND EVALUATIONS	\$63,015,483	\$0	\$63,015,483
93.779	MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION ORGANIZED APPROACHES TO INCREASE COLORECTAL CANCER SCREENING	\$78,440	\$342,590	\$421,030
93.791	HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES	\$1,700,810	\$882,605	\$2,583,415
93.800	ALLERGY AND INFECTIOUS DISEASES RESEARCH	\$569,668	\$0	\$569,668
93.815	LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC) HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES	\$258,924	\$0	\$258,924
93.817	BIOMEDICAL RESEARCH AND RESEARCH TRAINING (NOTE 3) GRANTS TO STATES FOR OPERATION OF STATE OFFICES OF RURAL HEALTH	\$0	\$120,680	\$120,680
93.855***	HIV CARE FORMULA GRANTS	(\$2,514)	\$0	(\$2,514)
93.859***	SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS - SCHOLARSHIPS FOR DISADVANTAGED STUDENTS (SDS)	\$670,541	\$0	\$670,541
93.913	HIV PREVENTION ACTIVITIES-HEALTH DEPARTMENT BASED HUMAN IMMUNODEFICIENCY VIRUS (HIV)/ACQUIRED IMMUNODEFICIENCY VIRUS SYNDROME (AIDS) SURVEILLANCE ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION AND CONTROL	\$145,447	\$0	\$145,447
93.917	COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS	\$4,165,848	\$1,521,192	\$5,687,040
93.925**	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$650,000	\$0	\$650,000
93.940	COAL MINERS RESPIRATORY IMPAIRMENT TREATMENT CLINICS AND SERVICES	\$651,738	\$84,956	\$736,694
93.944	SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS	\$179,718	\$0	\$179,718
93.945	MENTAL HEALTH DISASTER ASSISTANCE AND EMERGENCY MENTAL HEALTH	\$2,864	\$0	\$2,864
93.946	MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	\$93,740	\$0	\$93,740
93.958		\$261,600	\$2,254,223	\$2,515,823
93.959		\$248,844	\$7,367,625	\$7,616,469
93.965		\$139,551	\$950,031	\$1,089,582
93.977		\$521,216	\$0	\$521,216
93.982		\$0	\$180,309	\$180,309
93.994		\$3,050,746	\$2,672,793	\$5,723,539
<b>AGING CLUSTER</b>				
93.044	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART B-GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$239,792	\$2,208,990	\$2,448,782

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93.045	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART C-NUTRITION SERVICES	\$135,961	\$4,718,014	\$4,853,975
93.053	NUTRITION SERVICES INCENTIVE PROGRAM	\$0	\$1,934,763	\$1,934,763
	<b>TOTAL AGING CLUSTER</b>	<b>\$375,753</b>	<b>\$8,861,767</b>	<b>\$9,237,520</b>
	<b><u>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u></b>			
93.505	AFFORDABLE CARE ACT (ACA) MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAM	\$120,695	\$5,573,916	\$5,694,611
93.870	MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT PROGRAM	\$323,935	\$1,588,642	\$1,912,577
	<b>TOTAL MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</b>	<b>\$444,630</b>	<b>\$7,162,558</b>	<b>\$7,607,188</b>
	<b><u>CCDF CLUSTER</u></b>			
93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT	\$11,461,177	\$9,381,691	\$20,842,868
93.596	CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	\$13,350,527	\$1,792,901	\$15,143,428
	<b>TOTAL CCDF CLUSTER</b>	<b>\$24,811,704</b>	<b>\$11,174,592</b>	<b>\$35,986,296</b>
	<b><u>MEDICAID CLUSTER</u></b>			
93.775	STATE MEDICAID FRAUD CONTROL UNITS	\$871,511	\$0	\$871,511
93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$3,819,939	\$0	\$3,819,939
93.778	MEDICAL ASSISTANCE PROGRAM	\$3,200,937,264	\$1,668,778	\$3,202,606,042
ARRA 93.778	ARRA - MEDICAL ASSISTANCE PROGRAM	\$5,056,712	\$0	\$5,056,712
	<b>TOTAL MEDICAID CLUSTER</b>	<b>\$3,210,685,426</b>	<b>\$1,668,778</b>	<b>\$3,212,354,204</b>
050805WV5002	WAIVED LABS	\$4,838	\$0	\$4,838
0805WV5002	CLINICAL LABORATORY IMPROVEMENT AMENDMENTS	\$111,576	\$0	\$111,576
12IPA1213312	NIOSH ASSIGNMENT - COORDINATOR, HEALTHCARE & SOCIAL ASSISTANCE SECTOR	\$875	\$0	\$875
14FED1418075 M01	PTD BUSINESS CASE (IPA ASSIGNMENT)	\$8,354	\$0	\$8,354
14FED1418109 -				
IPA1418109 Total	MODELING OF NANOTOXICOLOGY DATA	\$17,858	\$0	\$17,858
200-2011-M-3923	NTDI EY2010	\$71,467	\$0	\$71,467
20020507251	VITAL STATISTICS COOP PROGRAM	\$147,202	\$0	\$147,202
200540049P	FOOD INSPECTIONS	\$36,222	\$0	\$36,222
223024448	MAMMOGRAPHY QUALITY ACT	\$65,632	\$0	\$65,632
5500066056	DEATH RECORDS	\$58	\$0	\$58
9179393	TOBACCO WORKPLAN	\$671,035	\$0	\$671,035
HHS-N-285-2005-23641C	CHRONIC MIGRAINE TREATMENT TRIAL (CMTT) STUDY	\$12,229	\$0	\$12,229
HHSP23320074107EC	NATIONAL HEALTH INFORMATION NETWORK II (NHIN2)	\$996,615	\$0	\$996,615
	<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	<b>\$3,575,746,386</b>	<b>\$91,870,024</b>	<b>\$3,667,616,410</b>
	<b><u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u></b>			
94.003	STATE COMMISSIONS	\$215,161	\$0	\$215,161
94.006	AMERICORPS	\$110,842	\$3,569,698	\$3,680,540
94.007	PROGRAM DEVELOPMENT AND INNOVATION GRANTS	\$2,400	\$0	\$2,400
94.009	TRAINING AND TECHNICAL ASSISTANCE	\$66,261	\$0	\$66,261
94.013	VOLUNTEERS IN SERVICE TO AMERICA	\$46,572	\$0	\$46,572
	<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>	<b>\$441,236</b>	<b>\$3,569,698</b>	<b>\$4,010,934</b>
	<b><u>EXECUTIVE OFFICE OF THE PRESIDENT</u></b>			
95.001	HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM (NOTE 3)	\$372,977	\$0	\$372,977
	<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>	<b>\$372,977</b>	<b>\$0</b>	<b>\$372,977</b>
	<b><u>SOCIAL SECURITY ADMINISTRATION</u></b>			
96.001	SOCIAL SECURITY-DISABILITY INSURANCE (DI) AND DISABILITY INSURANCE/SSI CLUSTER	\$20,983,324	\$0	\$20,983,324
96.008	SOCIAL SECURITY - WORK INCENTIVES PLANNING AND ASSISTANCE PROGRAM	\$0	\$257,750	\$257,750
55000660056	DEATH RECORDS	\$43,608	\$0	\$43,608
SS000860067	ENUMERATION AT BIRTH	\$19,137	\$0	\$19,137
	<b>TOTAL SOCIAL SECURITY ADMINISTRATION</b>	<b>\$21,046,069</b>	<b>\$257,750</b>	<b>\$21,303,819</b>

STATE OF WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL GRANTOR LISTING  
FOR THE YEAR ENDING JUNE 30, 2017

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
97.012	BOATING SAFETY FINANCIAL ASSISTANCE COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES	\$510,500	\$0	\$510,500
97.023	ELEMENT (CAP-SSSE)	\$38,762	\$0	\$38,762
97.032	CRISIS COUNSELING DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	\$0	\$303,914	\$303,914
97.036	HAZARD MITIGATION GRANT	\$43,217,193	\$47,006,645	\$90,223,838
97.039	NATIONAL DAM SAFETY PROGRAM	\$8,916	\$2,281,166	\$2,290,082
97.041	EMERGENCY MANAGEMENT PERFORMANCE GRANTS	\$78,699	\$0	\$78,699
97.042	ASSISTANCE TO FIREFIGHTERS GRANT	\$1,982,647	\$840,531	\$2,823,178
97.044	COOPERATING TECHNICAL PARTNERS	\$634,050	\$0	\$634,050
97.045	PRE-DISASTER MITIGATION	\$152,191	\$0	\$152,191
97.047	PORT SECURITY GRANT PROGRAM	\$7,502	\$0	\$7,502
97.056	HOMELAND SECURITY GRANT PROGRAM	\$180,211	\$0	\$180,211
97.067	DISASTER ASSISTANCE PROJECTS	\$471,009	\$3,942,563	\$4,413,572
97.088		\$0	\$791,126	\$791,126
<u>TOTAL DEPARTMENT OF HOMELAND SECURITY</u>		<u>\$47,281,680</u>	<u>\$55,165,945</u>	<u>\$102,447,625</u>
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>		<u>\$5,888,935,169</u>	<u>\$614,687,752</u>	<u>\$6,503,622,921</u>

\* HIGHWAY PLANNING AND CONSTRUCTION CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$434,947,722  
TOTAL SUBRECIPIENT EXPENDITURES \$5,568,998 AND TOTAL FEDERAL EXPENDITURES \$440,516,720.

\*\* STUDENT FINANCIAL ASSISTANCE CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$640,453,242  
TOTAL SUBRECIPIENT EXPENDITURES \$0 AND TOTAL FEDERAL EXPENDITURES \$640,453,242.

\*\*\* RESEARCH AND DEVELOPMENT CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$5,677,969  
TOTAL SUBRECIPIENT EXPENDITURES \$3,828,987, AND TOTAL FEDERAL EXPENDITURES \$9,506,956.

The accompanying notes are an integral part of this schedule.



**STATE OF WEST VIRGINIA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards (the Schedule) has been prepared on the cash basis of accounting. The federal awards are listed in the Schedule under the federal agency supplying the award. The individual Catalog of Federal Domestic Assistance (CFDA) numbers are listed first, then clusters, and then federal contract numbers. Federal contract numbers are used if the CFDA number is not available.

The Schedule includes noncash items such as Food Stamps (CFDA number 10.551), State Administrative Expense for Child Nutrition (CFDA number 10.560), and Donation of Federal Surplus Personal Property (CFDA number 39.003). All items are valued based on amounts as established by the federal grantor agency. The Schedule also includes Federal Direct Student Loans (CFDA number 84.268) that are made directly to individual students.

**NOTE 2. REPORTING ENTITY**

The Schedule includes various departments, agencies, boards and commissions governed by the legislature, judiciary and/or constitutional officers of the State of West Virginia (the State). The reporting entity also includes the State's institutions of public higher education. Certain institutions of higher education within the State maintain separate research corporations. These corporations receive various federal awards for research and development and other programs. Each of the research corporations has a separate audit performed in accordance with the Uniform Guidance, and accordingly, a separate submission has been made (see Note 8).

The Schedule does not include federal funds received and expended by certain independent authorities and other organizations included in the reporting entity under the criteria of the Governmental Accounting Standards Board, as described in Note 1 to the State's basic financial statements published in the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. The West Virginia Housing Development Fund and the West Virginia Drinking Water Treatment Revolving Loan Fund, which is a discretely presented component unit and a proprietary fund, respectively, elected to have their own single audit; therefore, their expenditures of federal awards are excluded from the State's schedule of expenditures of federal awards. This component unit and proprietary fund are required to submit their own single audit report to the federal audit clearinghouse (see Note 8).

**STATE OF WEST VIRGINIA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3. INDIRECT/PASS-THROUGH FEDERAL FUNDS**

The United States Office of Drug Control Policy provides funds to the Laurel County Fiscal Court of London, Kentucky. A portion of these funds are passed through from the Fiscal Court to the State with pass-through entity identifying numbers HDTA14, HDTA15, HDTA16, and HDTA17.

The West Virginia Research Corporation passed funds to the West Virginia School of Osteopathic Medicine for CFDA Number 93.859 with pass-through entity identifying numbers 12-303-WVSOM-3, 12-303-WVSOM, and 12-303-WVSOM-4, and also to Shepherd University for CFDA Numbers 43.008 with pass-through entity identifying number 91-175C-SU and for CFDA 93.859 with pass-through entity identifying number 1-058B-SU-6.

The West Virginia Research Corporation, the Battelle Research Institute, and Tetra Tech passed funds to the West Virginia Geological and Economic Survey for CFDA Number 81.089 with pass-through entity identifying numbers 354860, 3377572, 507700, and 1137982.

The Emmes Corporation passed funds to West Virginia University for CFDA Number 93.701 with pass-through entity identifying number 1 U01 NS062835-01A1.

**NOTE 4. UNEMPLOYMENT INSURANCE PROGRAM (UI) (CFDA Number 17.225)**

The U.S. Department of Labor, in consultation with the Office of Management and Budget officials, has determined that for the purpose of audits and reporting under the Uniform Guidance, state UI funds as well as federal funds should be considered federal awards for determining Type A programs. The State receives federal funds for administrative purposes. State unemployment taxes must be deposited to a state account in the Federal Unemployment Trust Fund, used only to pay benefits under the federally approved state law. State UI funds as well as federal funds are included on the Schedule.

**STATE OF WEST VIRGINIA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

The following schedule provides a breakdown of the state and federal portions of the total expended under CFDA number 17.225:

	<u>Beginning Balance July 1, 2016 As Adjusted</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Balance June 30, 2017</u>
State UI Funds	\$ (468,026)	\$373,475,422	\$373,326,781	\$ (319,385)
Federal UI Funds	<u>(1,326)</u>	<u>17,151,484</u>	<u>16,733,060</u>	<u>417,098</u>
Total	<u>\$ (469,352)</u>	<u>\$390,626,906</u>	<u>\$390,059,841</u>	<u>\$ 97,713</u>

**NOTE 5. LOANS OUTSTANDING**

Loans outstanding as of June 30, 2017, with continuing compliance requirements, are as follows:

<u>CFDA Number</u>	<u>Name of Program</u>	<u>Ending Balance</u>
84.038	Federal Perkins Loan (FPL) – Federal Capital Contribution	\$41,318,611
93.264	Nurse Faculty Loan Program (NFLP)	170,015
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students (HPSL/PCL/LDS)	5,950,556
93.364	Nursing Student Loans (NSL)	<u>633,314</u>
	Total Loans Outstanding	<u>\$48,072,496</u>

**NOTE 6. APPROVED PROJECT WORKSHEETS**

The State incurred eligible expenditures in FY 2016 and the Federal Emergency Management Agency (FEMA) approved the State's project worksheets in FY 2017. The State recorded the eligible expenditures of \$1,980,043 in CFDA 97.036 on this year's SEFA.

**NOTE 7. INDIRECT COST RATE**

Per Uniform Guidance 2 CFR § 200.510(b)(6), agencies are required to disclose whether or not they elect to use the 10 percent de minimis cost rate that 2 CFR § 200.414(f) allows for nonfederal entities that have never received a negotiated indirect cost rate. The State does not elect to use the 10 percent de minimis cost rate.

**STATE OF WEST VIRGINIA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 8: COMPONENT UNITS/PROPRIETARY FUND**

The following is a summary of federal awards at the various component units and a proprietary fund that had separate Uniform Guidance audits and submissions. These awards have been excluded from the State's Schedule.

West Virginia University Research Corporation	<u>\$ 91,223,193</u>
Marshall University Research Corporation	<u>\$ 16,902,835</u>
West Virginia State Research Corporation	<u>\$ 11,122,444</u>
West Virginia Housing Development Fund	<u>\$ 186,020,538</u>
West Virginia Drinking Water Treatment Revolving Fund	<u>\$ 5,949,000</u>



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***SCHEDULE OF  
FINDINGS  
AND  
QUESTIONED  
COSTS***

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**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**Section I. Summary of Auditor's Results**

**Financial statements:**

Type of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP (unmodified, qualified, adverse or disclaimer):	<u>Unmodified, with reference to other auditors</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	<u>        </u>	Yes <u>    X    </u>	No None reported
Significant deficiency(ies) identified?	<u>        </u>	Yes <u>    X    </u>	No None reported
Noncompliance material to financial statements noted?	<u>        </u>	Yes <u>    X    </u>	No

**Federal awards:**

Internal control over major federal programs:			
Material weakness(es) identified?	<u>    X    </u>	Yes <u>        </u>	No None reported
Significant deficiency(ies) identified?	<u>    X    </u>	Yes <u>        </u>	No None reported
Type of auditors' report issued on compliance for major federal programs (unmodified, qualified, adverse or disclaimer):	<u>Unmodified for all major programs except for the Supplemental Nutrition Assistance Program (SNAP) Cluster, Rehabilitation Services Vocational Rehabilitation Grants to States, Child Care and Development Fund (CCDF) Cluster, and Adoption Assistance, which were qualified, and the Disaster Grants – Public Assistance (Presidentially Declared Disasters), which was adverse</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>    X    </u>	Yes <u>        </u>	No

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**Identification of Major Federal Programs:**

CFDA Number(s)	Reportable Findings	Name of Federal Program or Cluster
10.551/10.561	2017-001, 002, 003	Supplemental Nutrition Assistance Program (SNAP) Cluster
17.277	None	WIOA National Dislocated Worker Grants/WIA National Emergency Grants
17.258/17.259/ 17.278	None	Workforce Innovation and Opportunity Act (WIOA) Cluster
84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	2017-004, 005, 006, 007	Student Financial Assistance (SFA) Cluster
84.126	2017-008, 009	Rehabilitation Services Vocational Rehabilitation Grants to States
93.558	2017-002, 003, 010	Temporary Assistance for Needy Families (TANF) Cluster
93.568	2017-002, 003, 011, 012	Low-Income Home Energy Assistance
93.575/93.596	2017-002, 003, 013, 014	Child Care and Development Fund (CCDF) Cluster
93.658	2017-002, 003	Foster Care—Title IV-E
93.659	2017-002, 003, 015	Adoption Assistance
93.767	2017-002, 003	Children’s Health Insurance Program (CHIP)
93.775/93.777/ 93.778*	2017-003, 016	Medicaid Cluster
97.036	2017-017, 018, 019, 020, 021	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and B programs: \$ 19,510,869

Auditee qualified as low-risk auditee \_\_\_\_\_ Yes   X   No

\* CFDA number includes federally identifiable American Recovery and Reinvestment Act Funds.



**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**Section II. Financial Statement Findings**

None.

**Section III. Federal Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Findings</b>	<b>Questioned Costs</b>
2017-001	Special Tests and Provisions – EBT Card Security	N/A
2017-002	DHHR Information System and Related Business Process Controls	N/A
2017-003	Procurement Procedures	\$3,204
2017-004	Schedule of Expenditures of Federal Awards	N/A
2017-005	Special Tests and Provisions – Return of Title IV Funds	\$5,953
2017-006	Special Tests and Provisions – Enrollment Reporting	N/A
2017-007	Special Tests and Provisions – Borrower Data Transmission and Reconciliation	N/A
2017-008	Eligibility	N/A
2017-009	Schedule of Expenditures of Federal Awards	N/A
2017-010	Special Tests and Provisions –Child Support Non-cooperation, Penalty for Refusal to Work, and Adult Custodial Parent of Child Under Six When Child Care Not Available	N/A
2017-011	Allowability and Eligibility	\$665
2017-012	Reporting Documentation	N/A
2017-013	Disaster Recovery Plan	N/A
2017-014	Special Tests and Provisions – Fraud Detection and Repayment	N/A
2017-015	Eligibility Documentation	\$7,530
2017-016	Eligibility	\$102
2017-017	Cash Management	N/A
2017-018	Subrecipient Monitoring	Unknown
2017-019	Schedule of Expenditures of Federal Awards	N/A
2017-020	Internal Controls Over Reporting	N/A
2017-021	Cash Management Monitoring Finding	N/A

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Agriculture Supplemental Nutrition Assistance Program (SNAP) Cluster	10.551/10.561
	Grant Award 1WV400401	
	Grant Award 1WV430459	

**Criteria:** 7 CFR 274.8(b)(3) requires “Performance and technical standards. The State agency shall ensure that EBT systems comply with POS technical standards established by the American National Standards Institute (ANSI) or International Organization for Standardization (ISO) where applicable. This includes the draft EBT ISO 8583 Processor Interface Technical Specifications contained in the ANSI standards, which delineates a standard message format for retailers and third parties. In addition, the State agency shall ensure that the EBT system meets performance and technical standards in the areas of system processing speeds, system availability and reliability, system security, system ease-of-use, minimum card and terminal requirements, performance bonding, and a minimum transaction set. With prior written approval from FNS, the State agency may utilize the prevailing industry performance standards in its region in lieu of those identified in this section. The standards shall be included in all requests for proposals and contracts.

- (3) System security. As an addition to or component of the Security Program required of Automated Data Processing systems prescribed under §277.18(m) of this chapter, the State agency shall ensure that the following EBT security requirements are established:
  - (i) Storage and control measures to control blank unissued EBT cards and PINs, and unused or spare POS devices;
  - (ii) Measures to ensure communication access control. Communication controls shall include the transmission of transaction data and issuance information from POS terminals to work-stations and terminals at the data processing center. The following specific security measures shall be included, as appropriate, in the system design documentation, operating procedures or the State agency Security Program:
    - (A) Computer hardware controls that ensure acceptance of data from authorized terminals only. These controls shall include the use of mechanisms such as retailer identification codes, terminal identifiers and user identification codes, and/or other mechanisms and procedures recognized by the industry;
    - (B) Software controls, placed at either the terminal or central computer or both, that establish separate control files containing lists of authorized retailers, terminal identifying codes, and user access and identification codes. EBT system software controls shall include separate checks against the control files in order to validate each transaction prior to authorization and limiting the number of unsuccessful PIN attempts that can be made utilizing standard industry practices before the card is deactivated;
    - (C) Communications network security that utilizes the Data Encryption Standard algorithm to encrypt the PIN, at a minimum, from the point of entry. Other security may include authentication codes and check-sum digits, in combination with data encoded on the magnetic stripe such as the PIN and/or PIN offset, to ensure data security during electronic transmission. Any of the network security measures may be utilized together or separately and may be applied at the terminal or central computer as indicated in the approved system design to ensure communications control;
    - (D) Manual procedures that provide for secure access to

**STATE OF WEST VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**for the Year Ended June 30, 2017**

**2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY**  
**(continued)**

the system with minimal risk to household or retailer accounts. Manual procedures may include the utilization of manager identification codes in obtaining telephonic authorization from the central computer system; requirements for separate entry with audio response unit verification and authorization number; and/or the utilization of 24 hour hotline telephone numbers to authorize transactions. (iii) Message validation shall include but shall not be limited to: (A) Message format checks for completeness of the message, correct order of data, existence of control characters, number and size of data fields and appropriate format standards as specified in the approved system design; (B) Range checks for acceptable date fields, number and valid account numbers, purchase and refund upper limitations in order to prevent and control damage to the system accounts; (C) Reversal of messages that are not fully processed and recorded. (iv) Administrative and operational procedures shall ensure that: (A) Functions affecting an account balance are separated or dually controlled during processing and when requesting Federal reimbursement through a concentrator bank under the provisions of paragraph (i) of this section. These functions may include but are not limited to the setup of accounts, transmittal of funds to and from accounts, access to files to change account records, and transmittal of retailer deposits to the ACH network or other means approved by FNS for crediting retailer bank accounts; (B) Passwords, identity codes or other security procedures must be utilized by State agency or local personnel and at data processing centers; (C) Software programming changes shall be dual controlled to the extent possible; (D) System operations functions shall be segregated from reconciliation duties; (v) A separate EBT security component shall be incorporated into the State agency Security Program for Automated Data Processing (ADP) systems where appropriate as prescribed under §277.18(m) of this chapter. The periodic risk analyses required by the Security Program shall address the following items specific to an EBT system: (A) EBT system vulnerability to theft and unauthorized use; (B) Completeness and timeliness of the reconciliation system; (C) Vulnerability to tampering with or creating household accounts; (D) Erroneous posting of issuances to household accounts; (E) Manipulation of retailers' accounts such as creation of false transactions or intrusion by unauthorized computer users; (F) Capability to monitor systematic abuses at POS terminals such as debits for a complete allotment, excessive manual issuances, and multiple manual transactions at the same time. Such monitoring may be accomplished through the use of exception reporting; (G) Tampering with information on the ACH tape or similar information utilized in a crediting method approved by FNS; and, (H) The availability of a complete audit trail. A complete audit trail shall, at a minimum, be able to provide a complete transaction history of each individual system activity that affects an account balance. The audit trail shall include the tracking of issuances from the Master File and Issuance File, network transactions from POS terminals to EBT central computer database and system file updates. (vi) The State agency shall incorporate the contingency plan approved by FNS into the Security Program. (4) *System ease-of-use.* (i) For all system users, the State agency shall ensure that the system: (A) Minimizes the number of separate steps required to complete a transaction; (B) Minimizes the number of codes or commands needed to make use of the system; (C) Makes available clear and comprehensive account balance information with a

**STATE OF WEST VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**for the Year Ended June 30, 2017**

**2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY**  
**(continued)**

minimum number of actions necessary; (D) Provides training and instructions for all system users especially those persons with disabilities; (E) Makes available prompts on POS terminals or balance only terminals, where appropriate; (F) Identifies procedures for problem resolution; (G) Provides reasonable accommodation for the needs of households with disabilities in keeping with the Americans with Disabilities Act of 1990. (ii) In addition to the requirements of paragraph (h)(4)(i) of this section, the State agency shall ensure that retailers utilizing the EBT system: (A) Have available manual backup procedures; (B) Can obtain timely information on daily credits to their banks; (C) Have available deposit information in a format readily comparable to information maintained in the store; and (D) Have available instructions on resolving problems with equipment and retailer accounts. (5) Minimum card requirements. (i) The address of the office where a card can be returned if found or no longer in use should be printed on the card. (ii) State agencies that implement the photo EBT card option in accordance with paragraph (f) of this section must print on the EBT cards the text “Any user with valid PIN can use SNAP benefits on card and need not be pictured.” or similar alternative text approved by FNS. (iii) FNS reserves the right to require State agencies to place a Department logo on the EBT card and/or sleeves or jackets. (iv) EBT cards and/or sleeves or jackets shall not contain the name of any State or local official. EBT informational materials shall not indicate association with any political party or other political affiliation. (v) State agencies may require the use of a photograph of one or more household members on the card. If the State agency does require the EBT cards to contain a photo, it must establish procedures to ensure that all appropriate household members or authorized representatives are able to access benefits from the account as necessary. (6) POS terminals. POS terminals shall meet the following requirements: (i) Balance information shall not be displayed on the screen of the POS terminal except for balance-only inquiry terminals; (ii) PINs shall not be displayed at the terminal; and (iii) PIN encryption shall occur from the point of entry in a manner which prevents the unsecured transmission between any point in the system. (7) Transaction receipts. Households shall be provided printed receipts at the time of transaction. At a minimum this information shall: (i) State the date, merchant's name and location, transaction type, transaction amount and remaining balance for the SNAP account; (ii) Comply with the requirements of 12 CFR part 205 (Regulation E) in addition to the requirements of this section; and (iii) Identify the SNAP households member's account number (the PAN) using a truncated number or coded transaction number. The households' name shall not appear on the receipt except when a signature is required when utilizing a manual transaction voucher. (8) Performance bonding. The State agency may require a performance bond in accordance with §277.8 of this chapter or utilize other contractual clauses it deems necessary to enforce the requirements of this section. (9) Minimum transaction set. At a minimum, the State agency shall ensure that the EBT system, including third party processors and retailers driving their own terminals, is capable of providing for

**STATE OF WEST VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**for the Year Ended June 30, 2017**

**2017–001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY**  
**(continued)**

authorizing or rejecting purchases, refunds or customer credits, voids or cancellations, key entered transactions, balance inquiries and settlement or close-out transactions. The system must be capable of completing this transaction set across State borders nationwide in accordance with standards specified in paragraph (h)(10) of this section. (10) Interoperability. State agencies must adopt uniform standards to facilitate interoperability and portability nationwide. The term “interoperability” means the EBT system must enable benefits issued in the form of an EBT card to be redeemed in any State. The term “portability” means the EBT system must enable benefits issued in the form of an EBT card to be used in any State by a household to purchase food at a retail food store or a wholesale food concern approved under the Food and Nutrition Act of 2008. The standards must include the following: (i) EBT system connectivity. State agencies are responsible for establishing telecommunications links, transaction switching facilities and any other arrangements with other State agencies necessary for the routing of interoperable transactions to such other State EBT authorization systems. State agencies are also responsible for facilitating the settlement of such interoperable transactions and the handling of adjustments. These connections need not be direct connections between State authorization systems but may be facilitated through agreements and linkages with other designated agents or third party processors. All State agencies must agree to the timing and disposition of disputes, error resolution, and adjustments in accordance with Department regulations at §273.13(a) and §273.15(k) of this chapter and paragraph (f) of this section. State agencies or their designated agents must draw funds from State SNAP accounts for SNAP benefits transacted by that State's SNAP recipients, regardless of where benefits were transacted. (ii) Message format. Each authorization system must use the ISO 8583 message format, modified for EBT, in a version mutually agreed to between the authorization agent and the party connected for all transactions. Each authorization system must process each financial transaction as a single message financial transaction, except for pre-authorized transactions and reversals, processed as paired transactions. (iii) Card Primary Account Number (PAN) Requirements. Track 2 on each card shall contain the PAN. Each Government entity must obtain an Issuer Identification Number (IIN) from the American Bankers Association (ABA). The IIN should be included as the first six digits of the PAN. The PAN must comply with ISO 7812, Identification Cards—Numbering System and Registration Procedures for Issuer Identifiers. Each State agency must be responsible for generating, updating, and distributing IIN files of all States to each retailer, processor, or acquirer that is directly connected to the State's authorization system. Each terminal operator that uses a routing table for routing acquired transactions must, within 7 calendar days of receiving an IIN routing table update, modify its routing tables to reflect the updated routing information. (iv) Third Party Processor requirements. Each Third Party Processor or terminal operator must have primary responsibility and liability for operating the telecommunications and processing system (including software and hardware) through which transactions initiated at POS terminals it owns, operates, controls or for which it has signed an agreement to accept EBT transactions, are processed and routed, directly or indirectly, to the appropriate State authorization system. Each terminal operator must maintain the necessary computer hardware and software to interface either directly with a State authorization system or with a third party service provider to obtain access to one or more State authorization systems. Each terminal operator must also

**STATE OF WEST VIRGINIA  
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**2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY  
(continued)**

establish a direct or indirect telecommunications connection for the routing of transactions to the State authorization system or to a processor directly or indirectly connected to the State authorization system. (v) REDE File. The State agency must ensure that their EBT system verifies FNS retailer numbers for all interstate transactions against the National REDE file of all FNS EBT retailers to validate these transactions.” 2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** The State’s EBT card security is addressed in the West Virginia EBT System Security Plan, which addresses specific EBT card security objectives including observance of the physical security over EBT cards and/or other negotiable instruments used in the issuance process and verification that EBT cards returned from the Postal Service are returned to inventory or destroyed. However, there is no documentation that the West Virginia EBT System Security Plan’s components are operating effectively as designed; however, there is no documentation that an observation of the physical security over EBT cards or verification that EBT cards returned from the Postal Service were returned to inventory or destroyed.

**Questioned Costs:** N/A

**Context:** Total EBT issuances for the SNAP Cluster were \$490,482,593 for the year ended June 30, 2017. Total federal expenditures for the SNAP Cluster were \$511,715,496 for the year ended June 30, 2017.

**Cause:** While EBT card security is addressed in the West Virginia EBT System Security Plan, the operating effectiveness of these security measures were not validated by the State.

**Effect:** EBT cards may be stolen, embezzled, lost, damaged, destroyed, transferred, negotiated, or used without authorization and not identified in a timely manner.

**Recommendation:** We recommend that West Virginia Department of Health and Human Resources (DHHR) review the applicable requirements for EBT card security to ensure and develop a plan to validate it for operating effectiveness.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

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**2017–002 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS  
(Prior Year Findings 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46, 2010–43, 2009–43, 2008–55)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Agriculture Supplemental Nutrition Assistance Program (SNAP) Cluster Grant Awards 1WV400401 and 1WV430459	10.551/10.561
	U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF) Cluster Grant Awards 2015G996115 and 2016G996115	93.558
	Low-Income Home Energy Assistance Grant Awards G-1501WVLIE4, G-15B1WVLIEA, G-1601WVLIE4, G-16B1WVLIEA, G-17B1WVLIEA, and G-1701WVLIE4	93.568
	Child Care and Development Fund (CCDF) Cluster Grant Awards G1601WVCCDF and G1701WVCCDF	93.575/93.596
	Foster Care—Title IV-E Grant Awards 1601WVFOST and 1701WVFOST	93.658
	Adoption Assistance Grant Awards 1601WVADPT and 1701WVADPT	93.659
	Children’s Health Insurance Program (CHIP) Grant Awards 1505WV5021, 1605WV5021, 1705WV5021, and 1705VW0301	93.767

**Criteria:** 2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that DHHR is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** **Family and Children Tracking System (FACTS):** West Virginia Department of Health and Human Resources (DHHR) operates a wide variety of computer applications, many of which affect federal and State programs’ data. Our review of the information system controls noted that adequate segregation of duties does not exist for the FACTS information system. Certain users have the ability to both create and approve cases. We noted that management implemented a mitigating detect control for the Foster Care program during fiscal year 2012 in response to this repeat finding; however, it was not designed to encompass the Adoption Assistance program or automatic payments in the Foster Care program. Additionally, no supervisory review is required for provider payment information input into the system.

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**2017–002 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS  
(Prior Year Findings 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46, 2010–43, 2009–43, 2008–55) (continued)**

**Recipient Automated Payment Information Data System (RAPIDS) Application Suite:** Our testing of the controls surrounding eligibility determination noted that adequate segregation of duties does not exist for the RAPIDS system. No supervisory review is required for case information input into the system. Further, it was noted that approval of disbursements only occurs at the batch level, which does not allow the approval worker to review each transaction individually.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for these programs can be located in the Schedule of Expenditures of Federal Awards.

The table below identifies the programs and federal compliance requirements impacted.

Federal Program	System	Compliance Requirements Impacted
Children's Health Insurance Program (CHIP)	RAPIDS	Eligibility
Supplemental Nutrition Assistance Program (SNAP) Cluster	RAPIDS	Special Tests and Provisions – ADP System for SNAP
Temporary Assistance for Needy Families (TANF) Cluster	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Low-Income Home Energy Assistance	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Period of Availability of Federal Funds/Period of Performance
Adoption Assistance	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Foster Care – Title IV-E	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Child Care and Development Fund (CCDF) Cluster	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

**Cause:** Policies and procedures have not been adequately updated for changes in the processing of eligibility. Furthermore, management indicated that a lack of personnel resources contributes to the proper segregation of duties issue.

**Effect:** Without proper segregation of duties or adequate detect controls, the ability exists for certain information system users to create and approve cases and demand payments within the FACTS application. Information can be input into the FACTS application or modified within the application without supervisory review, which could lead to payments being made to ineligible applicants, for the improper amount, or for an improper length of time.

Without proper segregation of duties or adequate detect controls, the ability exists for case workers to input unsupported information into an applicant's eligibility calculation within RAPIDS. Further, without supervisory review at the transactional level, disbursements for unallowable costs or activities could occur.



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**2017-002 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS**  
**(Prior Year Findings 2016-017, 2015-025, 2014-016, 2013-034, 2012-51, 2011-46, 2010-43, 2009-43, 2008-55) (continued)**

**Recommendation:** This is a repeat finding, and management should develop an effective corrective action plan to address this matter in a timely manner. We recommend that access to various FACTS system applications be restricted to a limited number of users. Controls should be established to ensure that an individual is limited to either creating or approving cases or payments. A detect control should be implemented that would require a review of all individual cases and payments with the same request and approval worker to ensure that cases and payments created and approved were appropriate.

Further, we recommend that a formal review process be implemented to ensure that information input into FACTS and RAPIDS is properly reviewed by authorized individuals prior to payment.

**Views of  
Responsible  
Officials and  
Planned Corrective  
Actions:**

Management acknowledges the finding. See corrective action plan.

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**2017–003 PROCUREMENT PROCEDURES**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Agriculture Supplemental Nutrition Assistance Program (SNAP) Cluster Grant Awards 1WV400401 and 1WV430459	10.551/10.561
	U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF) Cluster Grant Awards 2015G996115 and 2016G996115	93.558
	Low-Income Home Energy Assistance Grant Awards G-1501WVLIE4, G-15B1WVLIEA, G-1601WVLIE4, G- 16B1WVLIEA, G-17B1WVLIEA, G- 1701WVLIE4	93.568
	Child Care and Development Fund (CCDF) Cluster Grant Awards G1601WVCCDF and G1701WVCCDF	93.575/93.596
	Foster Care—Title IV-E Grant Awards 1601WVFOST and 1701WVFOST	93.658
	Adoption Assistance Grant Awards 1601WVADPT and 1701WVADPT	93.659
	Children’s Health Insurance Program (CHIP) Grant Awards 1505WV5021, 1605WV5021, 1705WV5021, and 1705VW0301	93.767
	Medicaid Cluster  Grant Awards 1605WV5MAP, 1605WV5ADM, 1605WVINCT, 1605WVIMPL, 1705WV5MAP, 1705WV5ADM, 1705WVINCT, and 1705WVIMPL	93.775/93.777/ 93.778

**Criteria:** 2 CFR 200.212 requires “Non-federal entities and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.”

2 CFR 200.212(h) requires “The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, 48 CFR 180.300 states “What must I do before I enter into a covered transaction with another person at the next lower tier? When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by: (a) Checking the EPLS; or (b) Collecting a certification from that person; or (c) Adding a clause or condition to the covered transaction with that person.

Per Section 6.7.1 of the State of West Virginia Purchasing Division Procedures Handbook, administrative changes to contracts should be made after the fact with subsequent approval by the Purchasing Division and the Attorney General’s Office (as to form) prior to the implementation of the change.

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**2017-003 PROCUREMENT PROCEDURES  
(continued)**

2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that DHHR is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** Three of 40 procurement transactions tested were not properly approved before the contract period started or before the contract period was renewed. The two transactions represent \$3,204 out of a total population tested of \$1,201,164. Total procurement contracts entered into by DHHR for the year ended June 30, 2017 was approximately \$9.8 million.

**Questioned Costs:** \$3,204 - \$350 related to CFDA #93.074 – Grant Award U90TP000560-03; \$263 related to CFDA # 93.074 – Grant Award U90TP000560-04 and \$2,591 related to CFDA # 93.758 – Grant Award NB01TOT009088-01.

**Context:** Total federal expenditures for these programs can be located in the Schedule of Expenditures of Federal Awards.

**Cause:** West Virginia Department of Health and Human Resources (DHHR) appears to have policies and procedures which include internal controls such as the approval of procurement transactions by a knowledgeable person; however, the agency has failed to actively enforce those internal controls.

**Effect:** Federal expenditures could be made for unallowable procurement transactions.

**Recommendation:** We recommend that the DHHR strengthen the existing policies and procedures surrounding the approval of procurement transactions.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

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for the Year Ended June 30, 2017**

**2017-004 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

**Criteria:** 2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** Fairmont State University’s (FSU) and West Liberty University’s (WL) internal controls are not adequate to ensure the Schedule of Expenditures of Federal Awards (SEFA) accurately reports all federal assistance. Our review of FSU’s SEFA for fiscal year 2017 identified that total Perkins Loan disbursements were overstated by \$487,615 and total Perkins Loan receipts were overstated by \$487,615. Additionally, our review of WL’s SEFA for fiscal year 2017 identified Pell disbursements were understated by \$3,636,392.

**Questioned Costs:** N/A

**Context:** Total student financial assistance expenditures for the State of West Virginia were \$640,453,242 for the year ended June 30, 2017.

**Cause:** FSU and WL have not implemented adequate internal controls to ensure the SEFA is accurate.

**Effect:** FSU and WL are not properly reporting their federal expenditures and major programs may not be appropriately identified on a timely basis.

**Recommendation:** We recommend that FSU and WL ensure staff responsible for the preparation of the SEFA have the resources needed to accurately prepare the SEFA.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

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**2017–005 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS  
(Prior Year Finding 2016–010)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

**Criteria:** 34 CFR 668.22(a) requires Institution “when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student’s withdrawal date in accordance with paragraph (e) of this section.”

34 CFR 668.22(e)(1) requires “the amount of Title IV grant or loan assistance that is earned by the student is calculated by (i) Determining the percentage of Title IV grant or loan assistance that has been earned by the student, as described in paragraph (e)(2) of this section; and (ii) Applying this percentage to the total amount of Title IV grant or loan assistance that was disbursed (and that could have been disbursed, as defined in paragraph (l)(1) of this section) to the student, or on the student's behalf, for the payment period or period of enrollment as of the student's withdrawal date.”

34 CFR 668.22(e)(2) requires “the percentage of Title IV grant or loan assistance that has been earned by the student is— (i) Equal to the percentage of the payment period or period of enrollment that the student completed (as determined in accordance with paragraph (f) of this section) as of the student's withdrawal date, if this date occurs on or before— (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program that is measured in clock hours; or (ii) 100 percent, if the student's withdrawal date occurs after— (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program measured in clock hours. (3) Percentage unearned. The percentage of Title IV grant or loan assistance that has not been earned by the student is calculated by determining the complement of the percentage of Title IV grant or loan assistance earned by the student as described in paragraph (e)(2) of this section.”

34 CFR 668.22(f)(1) requires “the percentage of Title IV grant or loan assistance that has been earned by the student is— (i) Equal to the percentage of the payment period or period of enrollment that the student completed (as determined in accordance with paragraph (f) of this section) as of the student's withdrawal date, if this date occurs on or before— (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program that is measured in clock hours; or (ii) 100 percent, if the student's withdrawal date occurs after— (A) Completion of 60

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**2017–005 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS**  
**(Prior Year Finding 2016–010) (continued)**

percent of the payment period or period of enrollment for a program that is measured in credit hours; or (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program measured in clock hours. (3) Percentage unearned. The percentage of Title IV grant or loan assistance that has not been earned by the student is calculated by determining the complement of the percentage of Title IV grant or loan assistance earned by the student as described in paragraph (e)(2) of this section.”

34 CFR 668.22(g)(1) requires “the institution must return, in the order specified in paragraph (i) of this section, the lesser of— (i) The total amount of unearned Title IV assistance to be returned as calculated under paragraph (e)(4) of this section; or (ii) An amount equal to the total institutional charges incurred by the student for the payment period or period of enrollment multiplied by the percentage of Title IV grant or loan assistance that has not been earned by the student, as described in paragraph (e)(3) of this section.”

34 CFR 668.22(j)(1) requires “an institution must return the amount of Title IV funds for which it is responsible under paragraph (g) of this section as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew as defined in paragraph (l)(3) of this section. The timeframe for returning funds is further described in §668.173(b).”

34 CFR 668.173(b)(1) requires “in accordance with procedures established by the Secretary or FFEL Program lender, an institution returns unearned Title IV, HEA program funds timely if— (1) The institution deposits or transfers the funds into the bank account it maintains under §668.163 no later than 45 days after the date it determines that the student withdrew;”

2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** The institutions are required to have internal controls in place surrounding the calculation of the return of Title IV funds. During our testing of West Virginia State University, it was determined that this institution did not have a formalized internal control process, such as a formalized review and approval control, surrounding the calculation of Title IV funds. Furthermore, for one of the 21 sampled the return of the Title IV calculation was either not calculated or improperly calculated. We then sampled an additional 15 Title IV Refunds for testing and found four additional errors. Further, according to the Federal Program Review Determination issued by the U.S. Department of Education, Mountwest made errors when performing the return of Title IV calculation for seven students selected, as well as returned unearned Title IV funds late to the Department for nine students selected.

**Questioned Costs:** \$5,953 – \$4,423 related to CFDA # – 84.268 Grant Award P268K170428; \$1,510 related to CFDA #84.063 – Grant Award P063)160428; \$20 related to CFDA #84.063 – Grant Award P063P155798

**Context:** Total expenditures for the SFA cluster in total were \$640,453,242 for the year ended June 30, 2017.

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for the Year Ended June 30, 2017**

**2017-005 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS  
(Prior Year Finding 2016-010) (continued)**

**Cause:** Formal review and approval process is not in place related to the calculation of the return of Title IV funds nor is evidence of the review maintained.

**Effect:** The absence of a review process for the return of Title IV funds could result in the institution's financial records for federal expenditures to be improperly stated or funds not returned on time.

**Recommendation:** The institutions should ensure that that the return of Title IV funds calculation is performed and saved as documented in the institution's written procedure, including retaining documentation of timely supervisor review and approval and return funds within the required time frame.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

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for the Year Ended June 30, 2017**

**2017–006 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING  
(Prior Year Findings 2016–008, 2015–015, 2014–011, 2013–028, 2012–43, 2012–47, 2012–49,  
2011-22)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

**Criteria:** 2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** The following institutions did not have internal controls in place surrounding the enrollment reporting process for the selections made: Shepherd University, West Virginia University – Parkersburg, West Liberty University, and West Virginia Northern Community and Technical College.

**Questioned Costs:** N/A

**Context:** Total Direct Loan expenditures for the SFA cluster in total were \$464,565,207 for the year ended June 30, 2017. Total direct loan expenditures for Shepherd University, West Virginia University – Parkersburg, West Liberty University, and West Virginia Northern Community and Technical College was \$40,781,495 for the year ended June 30, 2017.

**Cause:** Due to ineffective internal controls, there could be timing and status discrepancies between the information reported by the institution to the Clearinghouse and their subsequent reporting of enrollment detail to National Student Loan Data System (NSLDS).

**Effect:** The institutions are not promptly reviewing information prior to reporting to the NSLDS; thus, inaccurate information could be reported to the NSLDS.

**Recommendation:** We recommend that the institutions implement a review process to ensure they are promptly reviewing the information being reported to the NSLDS.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.



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**2017–007 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION  
(Prior Year Finding 2016–006)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Education	
	Office of Student Financial Assistance	
	Office of Post-Secondary Education	
	U.S. Department of Health and Human Services	
	Health Resources and Services Administration	
	Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

**Criteria:** 34 CFR 685.300(a)(5) requires “On a monthly basis, reconcile institutional records with Direct Loan funds received from the Secretary and Direct Loan disbursement records submitted to and accepted by the Secretary.”

2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** For the two months selected for testing of Direct Loan School Account Statement (SAS) reconciliation requirements at Concord University, proper reconciliations were completed by the institution; however, they were not completed timely nor reviewed.

**Questioned Costs:** N/A

**Context:** Total Direct Loan expenditures for the SFA cluster in total were \$464,565,207 for the year ended June 30, 2017.

**Cause:** Written procedures detailing the process to reconcile loans from Common Origination and Disbursement (COD) records to Banner exist, as provided in narrative form during the audit. However, management represented that a formal reconciliation review process has not been successfully implemented.

**Effect:** The absence of proper reconciliations could result in the institution’s financial records for Direct Loan expenditures to be improperly stated.

**Recommendation:** We recommend that management implement the reconciliation process that monthly reconciliations are performed and saved as documented in the institution’s written procedure, including documentation of supervisor review and approval. In addition, management needs to ensure that all data received from COD is maintained within their records to facilitate audit procedures.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-007 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION**

**(Prior Year Finding 2016-006) (continued)**

<b>Views of Responsible Officials and Planned Corrective Actions:</b>	Management acknowledges the finding. See corrective action plan.
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**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-008 ELIGIBILITY**

**(Prior Year Findings 2016-012, 2015-018)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Education	
	Rehabilitation Services Vocational Rehabilitation Grants	
	to States	84.126
	Grant Award H126A160073	

**Criteria:** 29 USC §722(a)(6), requires that “the designated State unit shall determine whether an individual is eligible for Vocational Rehabilitation (VR) services under this subchapter within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless (a) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time; or (b) the designated State unit is exploring an individual’s abilities, capabilities, and capacity to perform in work situations under paragraph (2)(b).”

2 CFR 200.303 requires that the West Virginia Division of Rehabilitation Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** Three of the 25 eligibility determinations reviewed were not completed within 60 days or within the period of extension.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for the Vocational Rehabilitation Grant were \$40,424,101 for the year ended June 30, 2017.

**Cause:** WVDRS appears to have policies and procedures, which include internal controls, in place to address eligibility; however, it has failed to actively enforce those internal controls.

**Effect:** Federal expenditures could be made for individuals who were potentially ineligible.

**Recommendation:** We recommend that WVDRS strengthen the existing policies and procedures surrounding the approval of eligible participants and ensure the appropriate completion of all eligibility determinations on a timely basis.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-009 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b> U.S. Department of Education Rehabilitation Services Vocational Rehabilitation Grants to States Grant Award H126A160073	<b>CFDA #</b>     84.126
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**Criteria:** 2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** The SEFA for West Virginia Division of Rehabilitation Services (WVDRS) did not agree to the underlying support of federal expenditures.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for the Vocational Rehabilitation Grant were \$40,424,101 for the year ended June 30, 2017. Total misstatements on the SEFA were \$79,380, which were corrected in the SEFA.

**Cause:** WVDRS appears to have policies and procedures, including internal controls, in place to prepare and review the SEFA; however, it has failed to actively enforce those internal controls.

**Effect:** Federal expenditures may not be properly reported.

**Recommendation:** We recommend that WVDRS strengthen the existing policies and procedures surrounding the preparation and review of the SEFA.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–010 SPECIAL TESTS AND PROVISIONS –CHILD SUPPORT NON-COOPERATION, PENALTY FOR REFUSAL TO WORK, AND ADULT CUSTODIAL PARENT OF CHILD UNDER SIX WHEN CHILD CARE NOT AVAILABLE  
(Prior Year Findings 2016–016, 2015–024, 2014–018, 2013–036, 2012–56, 2011–44, 2010–41)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF) Cluster	93.558
	Grant Award 2017 – 2016G996115	
	Grant Award 2016 – 2015G996115	

**Criteria:** 2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** DHHR has policies and procedures in place surrounding the issuance or removal of sanctions. However, the control documentation provided by DHHR is not adequate to ensure that sanctions could not be issued or removed against TANF recipients in error or without appropriate cause by a caseworker.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for TANF for the fiscal year ended June 30, 2017 were \$77,791,462.

**Cause:** There is lack of sufficient documentary evidence to rely on controls surrounding the issuance or removal of sanctions against TANF recipients.

**Effect:** Recipient benefits may potentially be reduced or increased in error or without appropriate cause.

**Recommendation:** We recommend that DHHR management maintain sufficient documentation to evidence its review prior to the issuance or removal of sanctions. Evidence may include documentation that each recipient was afforded an opportunity to establish good cause prior to the imposition of a sanction in the form of a notification of good cause appointment. Additionally, documentation may include evidence that all caseworkers with access to issue or remove sanctions have read and understand the policies and procedures surrounding the issuance and removal of sanctions, as well as, evidence that caseworkers are made aware of any changes to procedures for the issuance and removal of sanctions that occur subsequent to their initial training. Evidence should also be maintained to document supervisor review of sanctions that are lifted on recipient cases when the benefit amount is increased. We recommend that a log of instances in which a supervisor approves his/her own sanction be maintained and periodically reviewed to ensure the sanctions are reasonable. The supervisor approval and log should be clearly documented, whether electronically in the information technology system or by other means.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-010 SPECIAL TESTS AND PROVISIONS –CHILD SUPPORT NON-COOPERATION, PENALTY  
FOR REFUSAL TO WORK, AND ADULT CUSTODIAL PARENT OF CHILD UNDER SIX  
WHEN CHILD CARE NOT AVAILABLE**

**(Prior Year Findings 2016-016, 2015-024, 2014-018, 2013-036, 2012-56, 2011-44, 2010-41)  
(continued)**

**Views of** Management acknowledges the finding. See corrective action plan.  
**Responsible**  
**Officials and**  
**Planned Corrective**  
**Actions:**

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–011 ALLOWABILITY AND ELIGIBILITY**

**(Prior Year Findings 2016–018, 2015-026, 2014-021, 2013-037, 2012-57, 2011-50, 2010-46, 2009-48, 2008-59, 2007-59, 2006-43, 2005-50)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b> U.S. Department of Health and Human Services Low-Income Home Energy Assistance Grant Award G–15B1WVLIEA Grant Award G–1501WVLIE4 Grant Award G–16B1WVLIEA Grant Award G–1601WVLIE4 Grant Award G–17B1WVLIEA Grant Award G–1701WVLIE4	<b>CFDA #</b>  93.568
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**Criteria:** The eligibility compliance requirements of LIHEAP require the West Virginia Department of Health and Human Resources (DHHR) to determine whether federal monies are spent in accordance with the eligibility guidelines promulgated by 42 USC 8624(b)(2).

2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that DHHR is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** During our testing of 60 benefit payments for eligibility and allowability, we noted for 3 of the 60 benefit payments, DFA-LIEAP-1b form was not signed by caseworker prior to payment. The DFA-LIEAP-1b form is a supplemental form used to document how an application is received (through mail, office visit, or another agency).

**Questioned Costs:** \$665 – CFDA #93.568 – Grant Award G-17B1WVLIEA

**Context:** The three instances (3 of 60 case files) represent \$665 of benefit payments out of a total population of benefit payments tested of \$15,021. Total payments for benefit assistance for the LIHEAP program for the fiscal year ended June 30, 2017 were \$19,648,904. The federal expenditures for the LIHEAP program for the fiscal year ended June 30, 2017, were \$28,403,675.

**Cause:** Management indicated that the errors were due to caseworker oversight.

**Effect:** A payment may have been made for ineligible recipients and some payments were not properly approved and/or supported with appropriate documentation.

**Recommendation:** We recommend that DHHR evaluate the effectiveness of the current training programs for the LIHEAP program to ensure adequate technical training is provided. Furthermore, DHHR should follow established policies and procedures to ensure that necessary approvals are obtained and the necessary documentation is maintained in the recipient case files.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-011 ALLOWABILITY AND ELIGIBILITY**

**(Prior Year Findings 2016-018, 2015-026, 2014-021, 2013-037, 2012-57, 2011-50, 2010-46, 2009-48, 2008-59, 2007-59, 2006-43, 2005-50) (continued)**

**Views of  
Responsible  
Officials and  
Planned Corrective  
Actions:**

Management acknowledges the finding. See corrective action plan.



**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–012 REPORTING DOCUMENTATION  
(Prior Year Finding 2016–019)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Health and Human Services	
	Low-Income Home Energy Assistance	93.568
	Grant Award G–15B1WVLIEA	
	Grant Award G–1501WVLIE4	
	Grant Award G–16B1WVLIEA	
	Grant Award G–1601WVLIE4	
	Grant Award G–17B1WVLIEA	
	Grant Award G–1701WVLIE4	

**Criteria:** 45 CFR 96.82 requires (a) Each grantee which is a State or an insular area which receives an annual allotment of at least \$200,000 shall submit to the Department, as part of its LIHEAP grant application, the data required by section 2605(c)(1)(G) of Public Law 97-35 (42 U.S.C. 8624(c)(1)(G)) for the 12-month period corresponding to the Federal fiscal year (October 1-September 30) preceding the fiscal year for which funds are requested. The data shall be reported separately for LIHEAP heating, cooling, crisis, and weatherization assistance.

2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that DHHR is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** The Annual Report on Households Assisted by LIHEAP was provided. However, documentation to support the number of assisted households and number of applicant households reported did not agree to the report filed.

**Questioned Costs:** N/A

**Context:** The federal expenditures for the LIHEAP program for the fiscal year ended June 30, 2017, were \$28,403,675. The number of assisted households and number of applicant households reported were 63,610 and 68,823, respectively. The number of assisted households and number of applicant households reported in the support was 112,016 and 134,113, respectively.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–012 REPORTING DOCUMENTATION  
(Prior Year Finding 2016–019) (continued)**

**Cause:** Management of the LIHEAP program provided supporting documentation to the auditors that did not agree to the reports filed.

**Effect:** The number of assisted households and number of applicant households reported on the Annual Report on Households Assisted by LIHEAP was incorrectly reported to the federal government.

**Recommendation:** We recommend that the DHHR verify the numbers reported on the Annual Report on Households Assisted by LIHEAP by obtaining the appropriate support. Furthermore, Management of the LIHEAP program should ensure that all documentation supporting the data in the report should be maintained and readily available if requested.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–013 DISASTER RECOVERY PLAN**

**(Prior Year Findings 2016–020, 2015–027, 2014–022, 2013–038, 2012–58, 2011–51, 2010–47, 2009–50, 2008–61, 2007–62, 2006–45)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b> U.S. Department of Health and Human Services Child Care and Development Fund (CCDF) Cluster Grant Award 1601WVADPT Grant Award 1701WVADPT	<b>CFDA #</b>  93.575/93.596
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**Criteria:** 2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 requires 300b requires that the West Virginia Department of Health and Human Resources (DHHR) is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** DHHR utilizes various service providers for performing certain routine and critical data gathering activities necessary for the operation of its federal and state programs; however, as of June 30, 2017, DHHR had not fully developed formal policies and procedures to ensure that these service providers have adequate disaster recovery procedures in place.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for the CCDF Cluster for fiscal year ended June 30, 2017, were \$35,986,296.

**Cause:** Service providers who maintain certain critical records for the processing of allowability and eligibility of CCDF Cluster payments may not have adequate disaster recovery plans in place.

**Effect:** Critical data supporting allowability and eligibility may not be adequately safeguarded from loss which could result in disallowed costs.

**Recommendation:** We recommend that DHHR continue its current efforts to ensure that all regional child care agencies have sufficient disaster recovery and backup procedures in place to safeguard the eligibility and allowability documentation supporting transactions. Furthermore, DHHR should ensure that the procedures are periodically updated and tested for effectiveness and completeness.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–014 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION AND REPAYMENT  
(Prior Year Finding 2016–021)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Health and Human Services	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596
	Grant Award G1601WVCCDF	
	Grant Award G1701WVCCDF	

**Criteria:** 45 CFR 98.60(i) requires “Lead Agencies shall recover child care payments that are the result of fraud. These payments shall be recovered from the party responsible for committing the fraud.”

2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the West Virginia Department of Health and Human Resources (DHHR) is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** Child Care payments resulting from fraud are identified and documented within quarterly reconciliation spreadsheets. The current year quarterly reconciliation spreadsheets identified fraudulent claims established in the previous fiscal year that had not been identified in the previous fiscal year quarterly reconciliation spreadsheets, therefore a complete and accurate population was not available for testing, and we did not perform testing on this compliance requirement.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for the CCDF Cluster for fiscal year ended June 30, 2017, were \$35,986,296.

**Cause:** DHHR experienced a lot of staff turnover during the fiscal year which caused inconsistencies in the way fraudulent claims were identified and reported.

**Effect:** Payments resulting from fraud may not be identified and recovered in a reasonable amount of time.

**Recommendation:** DHHR should adequately train new staff on the processes and controls surrounding the fraud detection and recovery reconciliation process to ensure that all fraudulent claims are identified in the appropriate fiscal year.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–015 ELIGIBILITY DOCUMENTATION**

(Prior Year Findings 2016–022, 2015–029, 2014–024, 2013–040, 2012–59)

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Health and Human Services	
	Adoption Assistance	93.659
	Grant Award 1601WVADPT	
	Grant Award 1701WVADPT	

**Criteria:** Section 473 of the Social Security Act requires that the Adoption Assistance Agreement must be in effect prior to the adoptive parents’ receipt of the Adoption Subsidy. Also, 45 CFR 1356.40 requires the Adoption Assistance Agreement must be signed and in effect at the time of or prior to the final decree of adoption, and a copy of the signed agreement must be given to each party. Further, the eligibility compliance requirements of the Adoption Assistance program require the West Virginia Department of Health and Human Resources (DHHR) to determine whether federal monies are spent in accordance with the eligibility guidelines promulgated by the Adoption Assistance and Child Welfare Act of 1980. West Virginia State Code §49-3-1 states that consent by an agency or department to adopt a child must be given and a statement of relinquishment and termination of parental rights must be obtained from the birth parents. The Adoption Assistance Policy Manual states that an Adoption Placement Agreement (SSADP48) must be completed and signatures obtained as part of the preliminary adoption procedures after the parental rights have been terminated if the child is not registered on the Adoption Resource Network (ARN).

2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:** Ten of the 60 cases reviewed for eligibility did not have documents on file to determine eligibility. One of the 60 cases reviewed for eligibility did not have an IV-E Adoption Assistance Eligibility Determination Form on file. Three of the 60 cases reviewed for eligibility did not have a signed consent form on file. Three of the 60 cases reviewed for eligibility did not have an Adoption Agreement. Five of the 60 cases reviewed for eligibility did not have an Adoption Placement Agreement. One of the 60 cases reviewed for eligibility did not have a date on the Adoption Placement Agreement. One of the 60 cases reviewed for eligibility did not have a signature or date on the Adoption Placement Agreement. Three of the 60 cases reviewed for eligibility had an Adoption Placement Agreement that was signed before parental rights were terminated.

**Questioned Costs:** \$7,530 – \$1,200 related to CFDA #93.659 – Grant Award 1601WVADPT; \$6,330 related to CFDA #93.659 – Grant Award 1701WVADPT

**Context:** The ten instances represent \$7,530 of adoption payments out of a total population of benefit payments tested for eligibility of \$41,788. Total federal expenditures for the Adoption Assistance program were \$39,687,324 for the year ended June 30, 2017.

**Cause:** Management indicated that the lack of inclusion of the proper forms in the case files and inconsistency in the timing of sign-offs were oversights by the caseworker.

**STATE OF WEST VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**for the Year Ended June 30, 2017**

**2017-015 ELIGIBILITY DOCUMENTATION**

**(Prior Year Findings 2016-022, 2015-029, 2014-024, 2013-040, 2012-59) (continued)**

**Effect:** Documentation supporting the original eligibility determination could not be located. Ineligible or potentially ineligible claims may be paid using federal funds.

**Recommendation:** We recommend that DHHR review the current staffing and training programs of the Adoption Assistance Office to ensure sufficient staff levels are maintained and adequate technical training is provided. Furthermore, the DHHR should establish policies and procedures to ensure that necessary documentation is filed in the adoption case files.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–016 ELIGIBILITY**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b> U.S. Department of Health and Human Services Medicaid Cluster  Grant Awards 1605WV5MAP, 1605WV5ADM, 1605WVINCT, 1605WVIMPL, 1705WV5MAP, 1705WV5ADM, 1705WVINCT, and 1705WVIMPL	<b>CFDA #</b>  93.775/93.777/ 93.778
<b>Criteria:</b>	<p>2 CFR 200.508(d) requires an auditee must “provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.”</p> <p>2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).</p>	
<b>Condition:</b>	<p>Two of the 40 cases selected for eligibility testing could not be located. Without this information, eligibility for these two individuals could not be determined.</p>	
<b>Questioned Costs:</b>	<p>\$102 – CFDA #93.778 – Grant Award 1705WV5MAP</p>	
<b>Context:</b>	<p>Total federal expenditures for the Medicaid Cluster for the fiscal year ended June 30, 2017 were \$3,212,354,204. The two cases which could not be located represent \$102 of Medicaid expenditures out of a total population of Medicaid expenditures tested for eligibility of \$46,280.</p>	
<b>Cause:</b>	<p>West Virginia Department of Health and Human Resources (DHHR) does not have adequate internal controls over maintaining of supporting documentation.</p>	
<b>Effect:</b>	<p>Critical data supporting the eligibility compliance requirement is not adequately maintained by DHHR for use by the auditors.</p>	
<b>Recommendation:</b>	<p>DHHR should ensure that all documentation supporting transactions or compliance requirements subject to audit be maintained and readily available if requested. Timely receipt of supporting documentation is crucial for the completion of the audit and determination of eligibility.</p>	
<b>Views of Responsible Officials and Planned Corrective Actions:</b>	<p>Management acknowledges the finding. See corrective action plan.</p>	

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–017 CASH MANAGEMENT**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–3366-EM-WV	
	Grant Award FEMA–4273-DR-WV	

**Criteria:** 2 CFR 200.305(b)(8) requires that a non-Federal entity must “maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

- i. The non-Federal entity receives less than \$120,000 in Federal awards per year.
- ii. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
- iii. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.
- iv. A foreign government or banking system prohibits or precludes interest bearing accounts.”

2 CFR 200.305(b)(9) requires that “interest earned on Federal advance funds deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System.”

2 CFR 200.303 requires that the West Virginia Department of Homeland Security must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the West Virginia Department of Homeland Security is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** The West Virginia School Building Authority (SBA) is not holding their advance payments of federal awards in interest-bearing accounts.



**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–017 CASH MANAGEMENT  
(continued)**

**Questioned Costs:** N/A

**Context:** Total advance payments of federal awards held in non-interest bearing accounts for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$6,238,757 as of the year ended June 30, 2017.

**Cause:** The SBA was not aware of the requirement to hold advance payments in interest-bearing accounts.

**Effect:** The SBA is not in compliance with the federal rules and regulations regarding cash management. Interest should have been earned on advances and remitted back to the U.S. Department of Homeland Security.

**Recommendation:** We recommend that the SBA develop policies and procedures to ensure that all advance payments of federal awards be held in interest-bearing accounts and to ensure that interest on cash advances is tracked and remitted back to the Federal government.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–018 SUBRECIPIENT MONITORING  
(Prior Year Finding 2016–024)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–3366-EM-WV	
	Grant Award FEMA–4273-DR-WV	

**Criteria:** 2 CFR 200.331 establishes pass-through entity responsibilities which include (1) monitoring “the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved,” and (2) ensuring that subrecipients expending \$750,000 or more in Federal awards during the subrecipient’s fiscal year have met the audit requirements for that fiscal year.

2 CFR 200.331(b) requires the West Virginia Department of Homeland Security and Emergency Management to “Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F— Audit Requirements of this part, and the extent to which the same or similar subaward has been audited as a major program; (3) Whether the subrecipient has new personnel or new or substantially changed systems; and (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).”

OMB Circular No. A-133, Subpart D §400 requires a pass-through entity to “monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.” Pass-through entities are required to develop monitoring procedures including programmatic and financial monitoring to ensure subrecipients have used federal funds for authorized purposes.

2 CFR 200.303 requires that the West Virginia Department of Homeland Security must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF WEST VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**for the Year Ended June 30, 2017**

**2017–018 SUBRECIPIENT MONITORING**  
**(Prior Year Finding 2016–024) (continued)**

OMB Circular A-133 section 300b requires that the West Virginia Homeland Security is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** We noted the following issues related to subrecipient monitoring for the West Virginia Division of Homeland Security and Emergency Management (DHSEM):

- DHSEM is not documenting programmatic on-site monitoring.
- DHSEM was unable to provide documentation of which subrecipients had audits completed and filed with DHSEM. Further, management indicated that they review completed auditor reports posted to the State Auditor’s website; however, there is no evidence of this review or documentation regarding resolution of any issues identified.
- DHSEM is not completing subrecipient risk assessments.

**Questioned Costs:** Unknown

**Context:** Total federal expenditures for subrecipients and total federal expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$47,006,645 and \$90,223,838, respectively, for the year ended June 30, 2017.

**Cause:** Management indicated discussions have been held and they are working on a subrecipient monitoring process, but there is currently no subrecipient monitoring process.

**Effect:** DHSEM does not have effective policies and procedures and evidence to support subrecipient monitoring; therefore, management may not be able to identify issues in a timely manner.

**Recommendation:** DHSEM should develop formalized policies for developing and tracking subrecipient monitoring reports and for receiving and tracking subrecipient audit reports. Additionally, procedures should be established to evaluate and follow-up on any instances of subrecipient compliance or internal control findings to ensure they are resolved in a timely manner.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Prior Year Finding 2016–027)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–3366-EM-WV	
	Grant Award FEMA–4273-DR-WV	

**Criteria:** 2 CFR 200.303 requires that the West Virginia Department of Homeland Security must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the West Virginia Department of Homeland Security is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** The Division of Homeland Security and Emergency Management (DHSEM) and the Division of Highways (DOH) internal controls are not adequate to ensure the Schedule of Expenditures of Federal Awards (SEFA) accurately reports all federal assistance. Our review of the DHSEM SEFA for fiscal year 2017 identified that total disbursements were understated by \$2,513,804, total subrecipient expenditures were overstated by \$2,089,064. Our review of the DOH SEFA for fiscal year 2017 identified that total disbursements were overstated by \$12,820,459.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for DOH Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$90,223,838 for the year ended June 30, 2017.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Prior Year Finding 2016–027) (continued)**

**Cause:** DHSEM and DOH have not implemented adequate internal controls to ensure the SEFA is accurate.

**Effect:** DHSEM and DOH are not properly reporting their federal expenditures and major programs may not be appropriately identified on a timely basis.

**Recommendation:** We recommend that both DHSEM and DOH ensure staff responsible for the preparation of the SEFA have the resources needed to accurately prepare the SEFA.

**Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017–020 INTERNAL CONTROLS OVER REPORTING  
(Prior Year Finding 2016–025)**

<b>Federal Program Information:</b>	<b>Federal Agency and Program Name</b>	<b>CFDA #</b>
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–3366-EM-WV	
	Grant Award FEMA–4273-DR-WV	

**Criteria:** 2 CFR 200.303 requires that the West Virginia Department of Health and Human Services must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

**Condition:** Management of the West Virginia Division of Homeland Security and Emergency Management (DHSEM) prepared and submitted the SF-425, *Federal Financial Reports*, without going through an appropriate review and approval process.

**Questioned Costs:** N/A

**Context:** Total federal expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$90,223,838, for the year ended June 30, 2017.

**Cause:** DHSEM does not have adequate policies and procedures, including internal controls, in place over the reporting process.

**Effect:** The absence of a review process for reporting could result in DHSEM’s financial records for federal expenditures to be improperly stated.

**Recommendation:** We recommend that DHSEM implement controls over the report submission process. At a minimum, such controls should include a documented review and approval process that ensures reported amounts agree with supporting documentation. We recommend that the review be performed by an individual independent of the data entry process.

**STATE OF WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the Year Ended June 30, 2017**

**2017-020 INTERNAL CONTROLS OVER REPORTING  
(Prior Year Finding 2016-025) (continued)**

<b>Views of Responsible Officials and Planned Corrective Actions:</b>	Management acknowledges the finding. See corrective action plan.
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***CORRECTIVE  
ACTION  
PLAN***

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## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### CONTACT PERSON

For finding resolution and Single Audit matters, please contact Betsy Chapman, West Virginia Department of Administration, Financial Accounting and Reporting Section, 2101 Washington Street, E., Charleston, WV 25305 (Telephone 304-558-4083 ext. 301). E-mail: [Betsy.Chapman@wv.gov](mailto:Betsy.Chapman@wv.gov). The respective state agency identified in each finding is responsible for the corrective action plan.

#### **2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY Department of Health and Human Resources (DHHR) CFDA Numbers 10.551 and 10.561**

The West Virginia EBT System Security Plan referenced in the finding is prepared and administered by the State's third-party EBT service provider/organization. In accordance with 7 CFR section 274.1(i), the DHHR requires its EBT service organization to obtain an examination by an independent auditor of the service organization regarding the issuance, redemption, and settlement of benefits under the Supplemental Nutrition Assistance Program. The examination must be done at least annually and the report must be completed ninety days after the examination period ends. Subsequent examinations must cover the entire period since the previous examination. The examinations must follow the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization; and the auditor of the service organization is required to issue a report on controls placed in operation and tests of operating effectiveness of controls, which is commonly referred to as a "service organization control (SOC) 1 type 2 report."

Although the most recent SOC 1 report does not provide evidence that the EBT service organization's independent auditors observed the physical security over EBT cards or verified that cards returned from the Postal Service are returned to inventory or destroyed, the SOC 1 does include the other illustrative control objectives and controls described in the Compliance Supplement and includes the following: (1) a description by the service organization's management of its



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

system of policies and procedures for providing services to user entities (including control objectives and related controls as they relate to the services provided) throughout the specified period of time; (2) a written assertion by the service organization's management about whether, in all material respects and based on suitable criteria, (a) the aforementioned description fairly presents the system throughout the specified period, (b) the controls were suitably designed throughout the specified period to achieve the control objectives stated in that description, and (c) the controls operated effectively throughout the specified period to achieve those control objectives; and (3) the report of the service auditor, which (a) expresses an opinion on the matters covered in management's written assertion, and (b) includes a description of the auditor's tests of operating effectiveness of controls and the results of those tests. The SOC 1 report submitted by the State's EBT service organization included an unqualified opinion issued by independent auditors. The DHHR will revisit the contract with its EBT service organization, particularly the part concerning the WV EBT System Security Plan and the SOC 1 type 2 reporting requirement, and will revise the contract if there is a potential for improvement.

**2017-002**     **DHHR INFORMATION SYSTEM AND RELATED BUSINESS  
PROCESS CONTROLS**  
**Department of Health and Human Resources (DHHR)**  
**CFDA Numbers 10.551, 10.561, 93.558, 93.568, 93.575, 93.596,**  
**93.658, 93.659, and 93.767**

The DHHR continues to assess the possibility of implementing additional controls related to automatic payments. For the foster care benefit payments that are issued automatically without evidence of someone formally reviewing the payments, this is a long-standing issue that is driven by the business processing rules in place within the DHHR programmatic bureau (Bureau for Children and Families (BCF)). It is not a system issue because the system is simply supporting the business rules requested by the DHHR BCF. Nonetheless, many controls and verifications exist around the establishment of eligibility for Federal financial participation. Supervisor approval is necessary to place a child in a paid foster care



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

setting, which in turn will generate a monthly payment, but the DHHR BCF is on record as defending their decision to not require an additional approval process to release each month's payments, as the administrative burden and related cost of requiring a secondary level of review for all case information entered into the system would far outweigh the benefits derived from such a process.

For the foster care benefit payments that are requested and approved by the same person, this too is a long-standing issue that is driven by the business processing rules in place within the DHHR BCF. However, the U.S. Department of Health and Human Services has issued a new requirement that existing Statewide Automated Child Welfare Information System (SACWIS) make modifications or build new systems to conform to a new set of system requirements known as a Comprehensive Child Welfare Information System (CCWIS). The changes went into effect August 2016 and the state has until October 2019 to begin migration or implementation. The CCWIS will replace the SACWIS and the DHHR will be evaluating the new CCWIS and the related control structure to improve the overall internal controls surrounding foster care benefit payments.

For the adoption assistance benefit payments, an approval process does not exist within the system, as this too was a business processing rule established by the DHHR BCF at the time the system was developed and implemented. However, the adoption subsidy function is limited to only a few individuals in the entire state through database and security roles. Since the subsidy is a negotiated benefit that must be declared for the prospective parents, guardian ad-litem and judge to approve and sign on the adoption finalization order, the amount and frequency has already been decided upon and documented for all parties in the adoption agreement. When defining the system requirements for the new CCWIS, the DHHR will work with the DHHR BCF to establish an approval process for adoption assistance benefit payments.



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### 2017-003 PROCUREMENT PROCEDURES

#### Department of Health and Human Resources (DHHR)

**CFDA Numbers 10.551, 10.561, 93.558, 93.568, 93.575, 93.596, 93.658, 93.659, 93.767, 93.775, 93.777, and 93.778**

As background, it is important to note that the policies and procedures referenced within the Criteria section of the finding are statewide policies and procedures, the source of which is the West Virginia Purchasing Division Procedures Handbook (the Purchasing Handbook). Within the Purchasing Handbook, there is a reference to Section 6.7.1 of the Procedures Handbook, which did not clearly define the policies and procedures related to the Criteria that led to this finding.

To address the finding, the West Virginia Purchasing Division agreed to revise Section 6.7.1 of the Procedures Handbook in a manner that will provide additional details surrounding the “subsequent approval” process required for administrative changes to contracts made after the fact (e.g. when adding a renewal/extension year after expiration of the current term). Although bureau-level procurement staff throughout the DHHR are trained and understand the need to process procurement documents in as timely a manner as possible, including but not limited to those documents related to administrative changes to contracts made after the fact, the DHHR recognizes that there is room for improvement internally. Accordingly, the DHHR Office of Purchasing will continue to work with bureau-level procurement staff throughout the DHHR on such matters and will utilize the next few standing monthly purchasing meetings within the DHHR as an opportunity to remind those staff members of the need for timely completion and processing of procurement documents, particularly those related to renewals and other administrative changes to contracts.



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2017-004 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Fairmont State University and West Liberty University  
CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,  
84.408, 93.264, 93.342, 93.364, and 93.925**

### **Fairmont State University (FSU) response**

The error on the SEFA documentation was isolated to the Perkins Loan Fund reporting. FSU's preparation of the SEFA information includes completion of a spreadsheet to convert revenue and expenditure data from the Banner Finance system from accrual to cash basis. Staff has been adequately trained on the worksheet. The Perkins Loan Program is more involved because it entails several non-cash transactions beyond the Accounts Receivable and Accounts Payable transaction adjustments necessary to convert the other accounts to cash basis. The SEFA report was reviewed; however, ending and beginning cash balances were accurate and therefore, the error was not detected. Once the auditors questioned the amounts, detailed analysis of the account was completed to provide the auditors with the corrected information. FSU is in the process of closing out the Perkins Loan Fund with the Department of Education. FSU believes that this error is isolated and the internal control over the process is adequate. However, the review process will be more thorough in the future.

### **West Liberty University (WLU) response**

The error on the SEFA was isolated to Federal Pell funds. The SEFA report was reviewed and the error was not detected. Once the auditors questioned the amounts, an analysis of the account was performed and the correct information was provided. WLU has implemented new internal control procedures which includes an additional level of SEFA review to the SEFA preparation process, this will ensure accuracy of the SEFA in future periods. WLU believes that this error is isolated.



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### **2017-005 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS**

#### **West Virginia State University and Mountwest Community and Technical College**

**CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 84.408, 93.264, 93.342, 93.364, and 93.925**

#### **West Virginia State University (WVSU) response**

WVSU's Office of Student Financial Assistance has established an internal control procedure for Return of Title IV Funds. The Financial Aid Counselor responsible for performing the Return of Title IV calculations will follow the federal policy for calculating the returns for withdrawn students. The Financial Aid Counselor will provide the calculation to the Associate Director for verification. The Associate Director will review the calculations and sign off on the form created for this process. This process will be saved and documented in the Office of Student Financial Assistance's Policy and Procedures Manual.

The former Financial Aid Counselor was in this role from February 2016 – December 2016 and was inadequately trained in the procedure which resulted in a miscalculation of Return of Title IV funds. Since this staff departure, WVSU has hired a new Financial Aid Counselor that began January 2017. This Financial Aid Counselor has received Return of Title IV training and earned a Return of Title IV credential from the National Association of Student Financial Aid Administrators (NASFAA). The Director of Student Financial Assistance will closely monitor the internal control process to ensure WVSU is in compliance with the Return of Title IV federal regulations.

#### **Mountwest Community and Technical College (MCTC) response**

MCTC acknowledges that several factors in its current process resulted in the institution not returning Title IV funds in a timely manner. In an effort to correct this issue, effective September 29, 2017, MCTC changed its procedures for dealing with unearned Title IV funds disbursements. MCTC implemented a weekly reconciliation process to identify unearned Title IV funds posted to student accounts that need



**CORRECTIVE ACTION PLAN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

to be returned. MCTC believes this new process will prevent this finding from recurring in the future.

**2017-006 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING**

**Northern Community and Technical College, Shepherd University, West Liberty University, and West Virginia University - Parkersburg**

**CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 84.408, 93.264, 93.342, 93.364, and 93.925**

**West Virginia Northern Community and Technical College (Northern) response**

Based on the audit review, Northern, in addition to all its current processes will add a second review of the National Student Clearinghouse enrollment and graduate file by reviewing a random sampling of student enrollment files to confirm that they are included in the file and their enrollment information is reported. This will be done prior to the file being submitted by the Registrar or her designee and then confirmed to the Associate Registrar for the file to be sent.

**Shepherd University (Shepherd) response**

Shepherd has developed additional procedures for internal control of enrollment reporting. The financial aid director and the registrar work together to create an internal control document that begins with the student records staff. The Registrar’s Office continues to send transmissions to the Clearinghouse on a monthly basis, however, when the file is generated for transmission, the student record staff is documenting the work product, discussing said work with the Registrar, who in turn reviews and signs off on the transmission.

**West Liberty University (WLU) response**

WLU has put in place internal controls to check student statuses. Currently, when the report is pulled from Banner, WLU checks 10-15 students randomly from the report to ensure their enrollment status and anticipated graduation date are accurate before reporting to the Clearinghouse. Beginning December 1, 2017, WLU has checked the reports pulled from Banner and no student errors have been identified.





## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### **West Virginia University – Parkersburg (WVUP) response**

In April 2017, WVUP implemented a control process in which the records office forwards the confirmation information to the Director of Financial Aid and then the financial aid staff, with National Student Loan Data System (NSLDS) access, reviews enrollment verification submission to make sure it is posted to NSLDS within the required timeframe. In response to this finding, WVUP will implement additional controls to this process, in that the financial aid staff will review all enrollment reporting files submitted by the records staff for accuracy and completeness no less than every 30 days.

### **2017-007 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION**

#### **Concord University (Concord)**

**CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 84.408, 93.264, 93.342, 93.364, and 93.925**

Due to numerous staffing changes within the Financial Aid Office at Concord in 2016/2017, loan reconciliations were not completed in a timely manner. Staffing issues within the office have been rectified and reconciliations for 2017/2018 are being completed on a monthly basis. The loan reconciliations are also reviewed by the Director of Financial Aid to ensure timeliness and accuracy.

### **2017-008 ELIGIBILTIIY Division of Rehabilitation Services (DRS)**

**CFDA Number 84.126**

DRS concurs with this finding; however, upon further examination, it was determined that each of these five cases was completed prior to July 2016. Subsequent and in response to a prior period finding, DRS strengthened training and procedures and improved the agency's electronic case management system to ensure compliance with eligibility determination rules. These changes were acknowledged in the DRS response to the Prior Year Finding 2016-012. DRS considers this finding resolved for all cases where eligibility was determined after July 2016.



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2017-009 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Division of Rehabilitation Services (DRS)  
CFDA Number 84.126**

DRS submitted a revised draft to State of West Virginia officials for inclusion in the State's draft SEFA prior to the draft being completed by all state agencies and presented to the auditors. The revision was made to segregate one subrecipient award from state expenditures and appropriately report it as subrecipient expenditures on the face of the SEFA. This subrecipient disbursement had been erroneously coded within the accounting system to a code normally used to record federal disbursements. Once DRS became aware of the miscoding, a revised SEFA draft was submitted for reporting purposes. Total federal expenditures were not affected by this revision. Management will implement policies and procedures to ensure all necessary reporting changes are made to the SEFA prior to its submission to FARS for audit. Further, management will communicate the finding to staff to prevent future coding errors. Staff has also undergone "Federal Grant Administration" training to emphasize the importance of proper classification of expenditures.

**2017-010 SPECIAL TESTS AND PROVISIONS - CHILD SUPPORT NON-COOPERATION, PENALTY FOR REFUSAL TO WORK, AND ADULT CUSTODIAL PARENT OF CHILD UNDER SIX WHEN CHILD CARE NOT AVAILABLE  
Department of Health and Human Resources (DHHR)  
CFDA Number 93.558**

In years prior to the current audit period, this finding was caused because the DHHR Bureau for Children and Families (BCF) was unable to provide adequate documentation to the auditors as necessary for the auditors to rely on controls surrounding caseworker training, supervisor approval of third-level sanctions, and notification to the recipient of opportunity to establish good-cause. The finding repeated for the current audit period because the DHHR BCF was again unable to provide adequate documentation to the auditors as necessary for the auditors to rely on controls surrounding caseworker training, but also because the DHHR BCF did not generate populations (surrounding



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## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

supervisor approval of third-level sanctions and notification to the recipient of opportunity to establish good-cause) in a timely enough manner for the auditors to select samples. Since the auditors did not receive timely populations surrounding supervisor approval of third-level sanctions and notification to the recipient of opportunity to establish good-cause, they were unable to rely on the controls or even test the controls since they did not have populations from which to select samples.

All case workers are required to take the online Blackboard course on the current policies and procedures surrounding sanctions, documented by completion lists for the Blackboard course. All workers must receive the training before taking a WV WORKS caseload. At any point, if changes are made to the policies and procedures surrounding WV WORKS sanctions, a new training module will be developed and added to the Blackboard course and all case workers will be required to complete the new course.

In order to provide populations to the auditors timelier next year, the DHHR BCF will prioritize Single Audit requests accordingly so that documentation related to supervisory approval of third level sanctions and notification to the recipient of opportunity to establish good cause be provided so that evidence of control can be tested appropriately.

Finally, the DHHR BCF will develop and maintain a log of instances in which a supervisor approves his or her own sanction and the DHHR BCF Policy Unit will periodically review the log to ensure the sanctions are reasonable, are applied in accordance with the policies and procedures currently in place within the DHHR BCF (outlined within the West Virginia Income Maintenance Manual), and are documented within the Recipient Automated Payment Information Data System (RAPIDS).



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### **2017-011 ALLOWABILITY AND ELIGIBILITY Department of Health and Human Resources (DHHR) CFDA Number 93.568**

The DHHR Bureau for Children and Families (BCF) did indeed address the conditions that led to the prior year findings (FY 2005 to FY 2016) in December 2016 by making various revisions to the Income Maintenance Manual, the purpose of which was to clarify the exact manner by which a worker is to complete Section IV of the LIHEAP application. During their testing, the auditors identified three of the DFA-LIEAP-1b supplemental forms were not signed by the caseworker. The DHHR BCF plans to address this finding by meeting with the BCF Division of Training; reviewing the DFA-LIEAP-1b supplemental form and layout of the form to determine if changes are required; reviewing the LIEAP training material and online training course; identifying the root cause of the errors (signature omissions); and ultimately determining what procedures must be put into place to prevent future errors, such as reminding workers to pay close attention to all signature requirements and developing checklists and instructions for DFA-LIEAP-1b supplemental forms to be examined for the appropriate signatures prior to scanning the forms into the On-Base system. Once a procedure has been determined, the central office of BCF will develop guidance and send it to field staff via email.

### **2017-012 REPORTING DOCUMENTATION Department of Health and Human Resources (DHHR) CFDA Number 93.568**

The DHHR system, Recipient Automated Payment Information Data System (RAPIDS) that generates the Annual Report on Households Assisted by LIHEAP does not produce an accurate count of LIHEAP households for reporting purposes. The DHHR Bureau for Children and Families (BCF) has engaged a third party, Advanced Public Policy Research Institute for Study and Evaluation (APPRISE). APPRISE is a nonprofit research institute dedicated to collecting and analyzing data and information to assess and improve public programs. APPRISE will review the DHHR BCF's data and report their findings on the LIHEAP Household Report. The DHHR BCF management



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

team will then reconcile the RAPIDS data with APPRISE's findings and will work with RAPIDS staff (within the DHHR Office of Management Information Services) to ensure that the correct data is captured and submitted for future reporting periods.

### **2017-013 DISASTER RECOVERY PLAN Department of Health and Human Resources (DHHR) CFDA Numbers 93.575 and 93.596**

Corrective action was taken in August 2017, which was during State Fiscal Year 2018. However, the finding repeated for the Year Ended June 30, 2017 since corrective action had not been taken as of June 30, 2017. To address the finding, the DHHR Bureau for Children and Families utilized the File Cabinet feature in Family and Children Tracking System (FACTS) and instructed the external Resource and Referral Agencies to scan pertinent records into the FACTS File Cabinet for the specific cases. The File Cabinet is a distinct function in FACTS that serves as a simple electronic document management system allowing the storage of both software documents and images of hard copy documents. The function is entirely integrated into the FACTS case record such that a document is permanently attached exclusively to a case/referral/provider record in which it was entered. Since the documents are only found within the focus of the case/referral/provider, access to the contents are secured to only the users that have the security and permissions to access the type of case/referral/provider.

### **2017-014 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION AND REPAYMENT Department of Health and Human Resources (DHHR) CFDA Numbers 93.575 and 93.596**

The spreadsheet that the DHHR Bureau for Children and Families (BCF) provided to the auditors lists all claims for which a repayment has been received and added to the expenses claimed for the quarter. All improper payments, including fraudulent payments, are repaid to the Federal government. When refunds related to improper payments are received, they are added to the claims for the quarter to ensure



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

that the DHHR does not repay the Federal government twice. Claims identified for the previous fiscal year for which repayment has not been received are not included in this spreadsheet. To address the finding and to provide the auditors with a “complete and accurate population” for next year’s audit, the DHHR BCF will add information to the spreadsheet, to include potential fraudulent payment identified for the previous fiscal year which no repayment was received in the current fiscal year; the DHHR BCF will also identify such arrangements not included in the 2017 population.

### **2017-015 ELIGIBILITY DOCUMENTATION Department of Health and Human Resources (DHHR) CFDA Number 93.659**

The DHHR-BCF developed a revised Adoption Subsidy and Services Standard Operating Procedure (SOP) and distributed it on February 14, 2018 to field staff. The SOP focuses on the steps field staff should be taking to ensure subsidy payments and medical cards are entered promptly after an adoption occurs. Furthermore, the SOP discusses the steps that need to be taken to finalize an adoption record, what items are needed in the record, and how to send this completed record to the state office. Finally, the SOP discusses actions the state office will take should the adoption record be missing information. The implementation of this SOP should begin no later than March 1, 2018.

The issues regarding signatures being obtained prior to parental relinquishment is a training topic that will be discussed and implemented in the Blackboard trainings planned for next year. While the past errors that may have occurred with prior year records that cannot be amended, strides have been made to ensure that future records are complete and accurate before going to storage.



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2017-016 ELIGIBILITY**  
**Department of Health and Human Resources (DHHR)**  
**CFDA Numbers 93.775, 93.777, and 93.778**

The DHHR Bureau for Children and Families (BCF) is responsible for the maintenance of case files and other documentation related to Medicaid eligibility. The DHHR Office of Internal Control and Policy Development (OICPD) understands the importance of maintaining adequate eligibility documentation and providing that documentation timely to the auditors. As such, the DHHR OICPD will discuss the matter with the DHHR BCF, will work with the BCF to enhance their internal controls over the maintenance of eligibility documentation, and will assist the BCF with those efforts if possible.

**2017-017 CASH MANAGEMENT**  
**School Building Authority (SBA)**  
**CFDA Number 97.036**

SBA transferred a portion of monies for Architect and Engineering Fees into an interest bearing custodial account at United National Bank on February 13, 2018. SBA is working with the State Budget Office to transfer the remaining portion. In the future, SBA will not accept federal funds unless a Comprehensive Educational Facilities Plan is in place with the County Boards of Education so that monies can be placed in an interest bearing account.

**2017-018 SUBRECIPEINT MONITORING**  
**Division of Homeland Security and Emergency Management (DHSEM)**  
**CFDA Number 97.036**

DHSEM developed and implemented during September 2017, multiple policies and procedures regarding the monitoring of subrecipients. The policies and procedures include a guide for grant monitoring, a policy and procedure for risk assessment, and a policy for post-site correspondence, monitoring letter and improvement plans. These policies and procedures were submitted to Federal Emergency Management Agency (FEMA) for review and approval. DHSEM has



## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

contracted with a CPA firm to assist in the completion of monitoring and DHSEM has plans to designate a single employee solely responsible for subrecipient monitoring of the public assistance grants.

**2017-019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Department of Highways and Division of Homeland Security  
and Emergency Management  
CFDA Number 97.036**

**Division of Homeland Security and Emergency Management  
(DHSEM) response**

DHSEM will develop and implement a policy to provide for the periodic reconciliation of federal funds. DHSEM will also educate employees of the administrative staff on the proper use of the State's ERP system, wvOASIS, and the elements of the SEFA.

**Department of Highways (DOH) response**

The DOH will update its current policies and procedures to enhance and strengthen the SEFA preparation process. These changes will include additional year-end report reviews, and an additional level of supervisory review prior to submission of the SEFA.

**2017-020 INTERNAL CONTROLS OVER REPORTING  
Division of Homeland Security and Emergency Management  
(DHSEM)  
CFDA Number 97.036**

DHSEM has developed and implemented a policy for internal controls over the submission of federal financial reports (SF-425) during September 2017. The policy directs that all FEMA Reports be prepared by one individual and submitted by another. The individual preparing the report is to provide full documentation to the reviewer for purposes of ensuring accurate reporting information. This policy was submitted to FEMA for review and approval.





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## CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2017-021 CASH MANAGEMENT MONITORING FINDING**  
**Division of Homeland Security and Emergency Management**  
**(DHSEM)**  
**CFDA Number 97.036**

DHSEM worked with the Division of Highways to recover the funds that were drawn down prior to work completion. DHSEM returned these funds to FEMA and the monitoring finding's status was noted as closed as of December 13, 2017. DHSEM has implemented procedures that facilitate communication between DHSEM administration and DHSEM's Public Assistance Recovery Officer. As projects move through final inspection, DHSEM administration and DHSEM's public assistance recovery officer will reconcile payments made on the project to the actual amount of the project to ensure overpayments have not occurred.

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***SUMMARY  
SCHEDULE OF  
PRIOR AUDIT  
FINDINGS***

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**2016-001 FINANCIAL STATEMENT CLOSE PROCESS**  
**2015-003 Overall State**  
**2014-004 CFDA Number Not Applicable**  
**Resolved**

Corrective action taken in FY 2017.

**2016-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**2015-004 Department of Administration - Overall State**  
**2014-005 CFDA Number Not Applicable**  
**2013-003 Resolved**  
**2012-5**  
**2011-4**  
**2010-5**  
**2009-11**  
**2008-31**  
**2007-32**  
**2006-9**  
**2005-14**  
**2004-72**  
**2003-71**

Corrective action taken in FY 2017.

**2016-003 REPORTING**  
**WORKFORCE West Virginia**  
**CFDA Number 17.225**  
**Resolved**

Corrective action taken in FY 2017.

**2016-004 CASH MANAGEMENT**  
**WORKFORCE West Virginia**  
**CFDA Number 17.277**  
**Resolved**

Corrective action taken in FY 2017.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**2016-005 INADEQUATE POLICIES AND PROCEDURES OVER REPORTING AND SUBRECIPIENT MONITORING WORKFORCE West Virginia CFDA Number 17.277 Resolved**

Corrective action taken in FY 2017.

**2016-006 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION Shepherd University and West Virginia University CFDA Numbers 87.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364**

While certain college/universities identified in the prior year finding resolved this matter, Concord University had a finding in the current year. This finding is only partially resolved because each university/college is only responsible for their own internal controls and the updated controls have not been implemented at the above institutions. See current year finding 2017-007 and the related corrective action plan.

**Shepherd University (Shepherd) response Resolved**

Shepherd historically has an informally documented monthly reconciliation plan in place for direct loans. A notebook is kept with information from every month for the academic year. It is a two-step process with the financial aid manager initiating the reconciliation using Direct Loan (DL) tools. All discrepancies are reviewed and corrected by the director using Banner and Common Origination and Disbursement (COD). Beginning in 2016-2017, Shepherd has stopped using the DL tools for reconciliation and has formalized the two-step process with the financial aid manager initiating the reconciliation on a monthly basis using Banner and COD. All discrepancies are reviewed and corrected by the senior financial aid counselor. To document the review, the reconciliation preparer and reviewer are documenting their correspondence via email communication.



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Shepherd’s policy and procedures have been updated to reflect these changes.

### **West Virginia University (WVU) response Resolved**

WVU’s monthly direct loan reconciliation procedures were reviewed and enhanced to include a supervisor’s review and second approval. The new procedures were implemented in FY 2017 and were retroactively applied to the beginning of the academic year.

- 2016-007 CASH MANAGEMENT**
- Mountwest Community and Technical College**
- CFDA Numbers 87.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364**
- Resolved**

Signatures were placed on documents providing evidence of the review process beginning October 1, 2016.

- 2016-008 SPECIAL TESTS AND PROVISIONS – REPORTING**
- 2015-015 ENROLLMENT**
- 2014-011 BlueRidge Community and Technical College, Mountwest**
- 2013-028 Community and Technical College, New River Community and**
- 2012-43 Technical College, West Virginia Northern Community and**
- 2012-47 Technical College, West Virginia State University, Shepherd**
- 2012-49 University, West Liberty University, and West Virginia**
- 2011-22 University - Parkersburg**
- CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364**
- Partially Resolved**

While certain colleges/universities identified in the prior year finding resolved this matter, the following colleges/universities had a finding in the current year: West Virginia Northern Community and Technical College, Shepherd University, West Liberty University, and West Virginia University – Parkersburg. This finding is only partially resolved because each university/college is only responsible for their



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

own internal controls and the updated controls have not been implemented at the above institutions. See current year finding 2017-006 and the related corrective action plan.

### **2016-009 PROGRAM INCOME**

**West Virginia State University**

**CFDA Numbers 87.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364**

**Resolved**

Beginning in October 2017, WVSU is working on strengthening the control procedures by printing and signing all reconciled monthly ECSI (Perkins Loans) reports. Previously WVSU was not formally documenting the monthly report reconciliation that was being performed by viewing the reports via the web and the ECSI system for accuracy.

### **2016-010 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS**

**BlueRidge Community and Technical College, West Virginia State University, Shepherd University, West Virginia University - Parkersburg**

**CFDA Numbers 87.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364**

While certain colleges/universities identified in the prior year finding resolved this matter, the following colleges/universities had a finding in the current year: West Virginia State University and Mountwest Community and Technical College. This finding is only partially resolved because each university/college is only responsible for their own internal controls and the updated controls have not been implemented at the above institutions. See current year finding 2017-005 and the related corrective action plan.



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### **BlueRidge response** **Resolved**

In October 2016, BlueRidge improved the internal control process regarding the calculation of the return to Title IV funds process. The Financial Aid (FA) Director will systematically review accounts for the need to conduct a Title IV aid return. For those needing a return, the FA counselors will complete the return process utilizing the return worksheets on Financial Aid Administrators (FAA) Access. Once the worksheet is complete, the FA Director will conduct a quality review and the FA Counselors will submit the return and funding information to the Finance Office. The Senior Counselor will update accounts as appropriate. This notification is also provided to the FA Director and the Vice President of Enrollment Management. The FA office will notify students of the return process by providing the student with a copy of the return worksheet.

### **WVSU response** **Partially Resolved**

The Office of Student Financial Assistance has established an internal control procedure for Return of Title IV Funds. A new Financial Aid Counselor who began her duties in January 2017 is responsible for performing the Return of Title IV calculations and will follow the policy for calculating the returns for withdrawn students. The Financial Aid Counselor will provide the calculation to the Associate Director for verification. The Associate Director will review the calculations and sign off on the form created for this process. This process will be saved and documented in the Office of Student Financial Assistance's Policy and Procedures Manual.

### **Shepherd response** **Resolved**

In October 2016, Shepherd created a Return of Title IV Review Form to be used by a financial aid counselor when the calculation is completed. The review form is signed by the counselor that prepared the calculation and all documentation is given to the senior financial



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

aid counselor to review. Once the second review is complete, the review form is signed by the senior counselor and a letter is generated for the director to review and sign. Shepherd's policy and procedures have been updated to reflect these changes.

### **WVU Parkersburg response Resolved**

WVUP implemented a process in May 2017 in which every Return to Title IV calculation is reviewed and signed off by 2 members of financial aid staff, to ensure all information and calculations are complete and correct.

### **2016-011 SPECIAL TESTS AND PROVISIONS – VERIFICATION Mountwest Community and Technical College CFDA Numbers 87.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, and 93.364 Resolved**

Effective October 1, 2016, Mountwest employees will initial the internal file worksheets to document that the initial review was completed. The second reviewer will document the file with their initials to verify that a second review was completed. The Internal Professional Judgement Worksheet will be used and annotated with initials for each professional judgement decision.

### **2016-012 ELIGIBILTII 2015-018 Division of Rehabilitation Services (DRS) CFDA Number 84.126 Partially Resolved**

DRS strengthened training and procedures and improved the agency's electronic case management system to ensure compliance with eligibility determination rules. These changes were acknowledged in the DRS response to the Prior Year Finding 2016-012. DRS considers this finding resolved for all cases where eligibility was determined after July 2016. See current year finding 2017-008.





**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**2016-013**    **WVDRS TRANSACTION APPROVAL CONTROLS**  
**2015-020**    **Division of Rehabilitation Services**  
**CFDA Numbers 84.126**  
**Resolved**

Corrective action taken in FY 2017.

**2016-014**    **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Department of Health and Human Resources**  
**CFDA Numbers 93.094**  
**Resolved**

Corrective action taken in FY 2017.

**2016-015**    **ELIGIBILITY**  
**Department of Health and Human Resources**  
**CFDA Number 93.558**  
**Resolved**

Corrective action taken in FY 2017.

**2016-016**    **SPECIAL TESTS AND PROVISIONS - SANCTIONS**  
**2015-024**    **Department of Health and Human Resources**  
**2014-018**    **CFDA Number 93.558**  
**2013-036**    **Partially Resolved**  
**2012-56**  
**2011-44**  
**2010-41**

In response to the same finding for fiscal year 2011 (2011-44), the DHHR discussed this matter with the United States Department of Health and Human Services, Administration for Children and Families (ACF) in fiscal year 2014, whereby the ACF reviewed the policies and procedures in effect within the DHHR BCF surrounding the issuance and removal of sanctions and determined the policies and procedures to be adequate. The complimentary controls referenced by the auditors in the condition section of the finding are based on the same policies and procedures reviewed and approved by the ACF. However, given that the control documentation provided to the



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

auditors was not adequate to ensure that sanctions could not be issued or removed against TANF recipients in error or without appropriate cause, the DHHR will reexamine all the correspondence from prior years regarding the complimentary controls and will consider whether it is necessary for the BCF to develop any new policies and procedures as a means to enhance said controls and thus show greater evidence of control activity prior to the issuance or removal of sanctions. See current year finding 2017-010.

- 2016-017**
  - 2015-025**
  - 2014-016**
  - 2013-034**
  - 2012-51**
  - 2011-46**
  - 2010-43**
  - 2009-43**
  - 2008-55**
- DHHR INFORMATION SYSTEM AND RELATED  
 BUSINESS PROCESS CONTROLS  
 Department of Health and Human Resources  
 CFDA Numbers 10.551/10.561, 93.558, 93.775/93.777/93.778  
 and ARRA 93.778, 93.568, 93.575/93.596, 93.767, 93.659,  
 and 93.658  
 Partially Resolved**

The DHHR is currently in the process of developing an information system that will replace the Family and Children Tracking System (FACTS), the Recipient Automated Payment Information Data System (RAPIDS), and the Online Support Collection and Reporting (OSCAR) systems that are currently in use within the DHHR. The new information system will also eliminate many of the business processing rules currently in place within the DHHR Bureau for Children and Families and will have controls embedded within the system that should address many if not all the auditors' concerns surrounding the approval of payments. The estimated date for implementation of the new information system is July 1, 2020. See current year finding 2017-002.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

- 2016-018      ALLOWABILITY AND ELIGIBILITY**
- 2015-026      Department of Health and Human Resources**
- 2014-021      CFDA Number 93.568**
- 2013-037      Partially Resolved**
- 2012-57**
- 2011-50**
- 2010-46**
- 2009-48**
- 2008-59**
- 2007-59**
- 2006-43**
- 2005-50**

The DHHR BCF addressed the finding in December 2016, by making various revisions to the Income Maintenance Manual, the purpose of which was to clarify the exact manner by which a worker is to complete Section IV of the Low Income Home Energy Assistance Program (LIHEAP) application. See current year finding 2017-011.

- 2016-019      REPORTING DOCUMENTATION**
- Department of Health and Human Resources**
- CFDA Number 93.568**
- Partially Resolved**

The DHHR system, Recipient Automated Payment Information Data System (RAPIDS), that generates the Annual Report on Households Assisted by LIHEAP does not produce an accurate count of LIHEAP households for reporting purposes. The DHHR Bureau for Children and Families (BCF) has engaged a third party, Advanced Public Policy Research Institute for Study and Evaluation (APPRISE). APPRISE is a nonprofit research institute dedicated to collecting and analyzing data and information to assess and improve public programs. APPRISE will review the DHHR BCF's data and report their findings on the LIHEAP Household Report. The DHHR BCF management team will then reconcile the RAPIDS data with APPRISE's findings and will work with RAPIDS staff (within the DHHR Office of Management Information Services) to ensure that the correct data is captured and submitted for future reporting periods. See current year finding 2017-012.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

- 2016-020 DISASTER RECOVERY PLAN**
- 2015-027 Department of Health and Human Resources**
- 2014-022 CFDA Numbers 93.596 and 93.575**
- 2013-038 Partially Resolved**
- 2012-58**
- 2011-51**
- 2010-47**
- 2009-50**
- 2008-61**
- 2007-62**
- 2006-45**

Corrective action was taken in August 2017, which was during State Fiscal Year 2018. However, the finding repeated for the Year Ended June 30, 2017 since corrective action had not been taken as of June 30, 2017. To address the finding, the DHHR Bureau for Children and Families utilized the File Cabinet feature in Family and Children Tracking System (FACTS) and instructed the external Resource and Referral Agencies to scan pertinent records into the FACTS File Cabinet for the specific cases. The File Cabinet is a distinct function in FACTS that serves as a simple electronic document management system allowing the storage of both software documents and images of hard copy documents. The function is entirely integrated into the FACTS case record such that a document is permanently attached exclusively to a case/referral/provider record in which it was entered. Since the documents are only found within the focus of the case/referral/provider, access to the contents are secured to only the users that have the security and permissions to access the type of case/referral/provider. See current year finding 2017-013.

- 2016-021 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION AND REPAYMENT CONTROLS**
- Department of Health and Human Resources**
- CFDA Numbers 93.575 and 93.596**
- Partially Resolved**

The spreadsheet that the DHHR Bureau for Children and Families (BCF) provided to the auditors lists all claims for which a repayment



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

has been received and added to the expenses claimed for the quarter. All improper payments, including fraudulent payments, are repaid to the Federal government. When refunds related to improper payments are received, they are added to the claims for the quarter to ensure that the DHHR does not repay the Federal government twice. Claims identified for the previous fiscal year for which repayment has not been received are not included in this spreadsheet. To address the finding and to provide the auditors with a “complete and accurate population” for next year’s audit, the DHHR BCF will add information to the spreadsheet, to include potential fraudulent payment identified for the previous fiscal year which no repayment was received in the current fiscal year; the DHHR BCF will also identify such arrangements not included in the 2017 population. See current year finding 2017-014.

- 2016-022 ELIGIBILITY DOCUMENTATION**
- 2015-029 Department of Health and Human Resources**
- 2014-024 CFDA Number 93.659**
- 2013-040 Partially Resolved**
- 2012-59**

The DHHR-BCF developed a revised Adoption Subsidy and Services Standard Operating Procedure (SOP) and distributed it on February 14, 2018 to field staff. The SOP focuses on the steps field staff should be taking to ensure subsidy payments and medical cards are entered promptly after an adoption occurs. Furthermore, the SOP discusses the steps that need to be taken to finalize an adoption record, what items are needed in the record, and how to send this completed record to the state office. Finally, the SOP discusses actions the state office will take should the adoption record be missing information. The implementation of this SOP should begin no later than March 1, 2018.

The issues regarding signatures being obtained prior to parental relinquishment is a training topic that will be discussed and implemented in the Blackboard trainings planned for next year. While the past errors that may have occurred with documentation cannot be fixed, strides have been made to ensure that future records are complete and accurate before going to storage. See current year finding 2017-015.



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2016-023      REPORTING COMPLIANCE**  
**Division of Rehabilitation Services**  
**CFDA Number 96.001**  
**Resolved**

Corrective action taken in FY 2017.

**2016-024      SUBRECIPEINT MONITORING**  
**Division of Homeland Security and Emergency Management**  
**CFDA Number 97.036**  
**Partially Resolved**

Division of Homeland Security and Emergency Management (DHSEM) developed and implemented during September 2017, multiple policies and procedures regarding the monitoring of subrecipients. The policies and procedures include a guide for grant monitoring, a policy and procedure for risk assessment, and a policy for post-site correspondence, monitoring letter and improvement plans. These policies and procedures were submitted to Federal Emergency Management Agency (FEMA) for review and approval. DHSEM has contracted with a CPA firm to assist in the completion of monitoring and DHSEM has plans to designate a single employee solely responsible for subrecipient monitoring of the public assistance grants. See current year finding 2017-018.

**2016-025      INTERNAL CONTROLS OVER REPORTING**  
**Division of Homeland Security and Emergency Management**  
**CFDA Number 97.036**  
**Partially Resolved**

DHSEM has developed and implemented a policy for internal controls over the submission of federal financial reports (SF-425) during September 2017. The policy directs that all FEMA Reports be prepared by one individual and reviewed by another. The individual preparing the report is to provide full documentation to the reviewer for purposes of ensuring accurate reporting information. This policy was submitted to FEMA for review and approval. See current year finding 2017-020.



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**2016-026 CASH MANAGEMENT**  
**Department of Highways**  
**CFDA Number 97.036**  
**Resolved**

Corrective action taken in FY 2017.

**2016-027 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Department of Highways (DOH)**  
**CFDA Number 97.036**

The DOH updated its current policies and procedures on July 1, 2017 to enhance and strengthen the SEFA preparation process. These changes will include additional year-end report reviews, and an additional level of supervisory review prior to submission of the SEFA. See current year finding 2017-019.

**2016-028 MATCHING**  
**Division of Homeland Security and Emergency Management**  
**CFDA Number 97.036**  
**Resolved**

Corrective action taken in FY 2017.

**2016-029 SPECIAL TESTS AND PROVISIONS – PROJECT ACCOUNTING**  
**Division of Homeland Security and Emergency Management**  
**CFDA Number 97.036**  
**Resolved**

Corrective action taken in FY 2017.

WEST VIRGINIA

