

West Virginia Single Audit



For the Year Ended June 30, 2020

STATE OF WEST VIRGINIA

SINGLE AUDIT

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AUDITORS'
REPORTS



Ernst & Young LLP
900 United Center
500 Virginia Street East
Charleston, WV 25301

Tel: +1 304 343 8971
Fax: +1 304 357 5994
ey.com

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 the 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, 2020, 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 18, 2020. 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*, and the West Virginia Housing Development Fund along with the following discretely presented component units of the West Virginia Higher Education Fund discretely presented component unit: Big Green Scholarship Foundation, Inc.; Blue Ridge Community & Technical College Foundation, Inc.; Bluefield State College Foundation, Inc.; Concord University Foundation, Inc.; Fairmont State Foundation, Inc.; The Glenville State College Foundation, Inc.; The Marshall University Foundation, Inc.; Provident – Marshall Properties, LLC; New River Community and Technical College Foundation, Inc.; The 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State 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 financial statements. 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 results 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.

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

December 18, 2020



Ernst & Young LLP
900 United Center
500 Virginia Street East
Charleston, WV 25301

Tel: +1 304 343 8971
Fax: +1 304 357 5994
ey.com

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, 2020. 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 and Development 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 \$328,407,263 in federal awards which is not included in the State of West Virginia's schedule of expenditures of federal awards during the year ended June 30, 2020. 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 Qualified Opinion on Unemployment Insurance; Education Stabilization Fund; Low-Income Home Energy Assistance, Children’s Health Insurance Program (CHIP); Medicaid Cluster; Opioid STR; and 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 regarding the following, individually or in the aggregate:

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020–002	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Reporting
2020–004	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Special Test and Provisions – UI Program Integrity - Overpayments
2020–005	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Reporting
2020–021	COVID-19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Reporting
2020–029	93.568	Low-Income Home Energy Assistance	Reporting
2020–032	93.775/93.777/ 93.778/ARRA - 93.778/93.767	Medicaid Cluster, Children’s Health Insurance Program (CHIP)	Eligibility
2020–039	93.788	Opioid STR	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020–040	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring

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 Unemployment Insurance; Education Stabilization Fund; Low-Income Home Energy Assistance, Children’s Health Insurance Program (CHIP); Medicaid Cluster; Opioid STR; and Disaster Grants – Public Assistance (Presidentially Declared Disasters)

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 *Unemployment Insurance; Education Stabilization Fund; Low-Income Home Energy Assistance, Children’s Health Insurance Program (CHIP); Medicaid Cluster; Opioid STR; and Disaster Grants – Public Assistance (Presidentially Declared Disasters)* for the year ended June 30, 2020.

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, 2020.

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:

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-009	COVID-19 21.019	Coronavirus Relief Fund	Subrecipient Monitoring
2020-013	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 – Disbursements to or on Behalf of Students
2020-014	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
2020-015	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
2020-016	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
2020-017	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 – Distance Education Program
2020-018	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 – Gramm-Leach-Bliley Act – Student Information Security
2020-019	COVID -19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Reporting
2020-020	COVID-19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-022	93.558/93.568/ 93.575/93.596/ COVID-19 93.575/ 93.658/93.659/ 93.767/93.775/ 93.777/93.778/ ARRA 93.778	Temporary Assistance for Needy Families (TANF), 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	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020-024	93.558	Temporary Assistance for Needy Families (TANF)	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility
2020-026	93.558	Temporary Assistance for Needy Families (TANF)	Special Tests and Provisions – Income Eligibility and Verification System
2020-027	93.558	Temporary Assistance for Needy Families (TANF)	Special Tests and Provisions – Penalty for Refusal to Work
2020-028	93.558	Temporary Assistance for Needy Families (TANF)	Special Tests and Provisions – Penalty for Failure to Comply with Work Verification Plan
2020-030	93.658	Foster Care – Title IV-E	Reporting
2020-031	93.659	Adoption Assistance	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility
2020-034	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Utilization Control and Program Integrity
2020-037	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Medicaid National Correct Coding Initiative (NCCI)

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

The State of West Virginia’s response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. 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 response.

We performed audit procedures with respect to the Student Financial Assistance Cluster major federal program related to compliance requirements in Special Test and Provision N 11, *Gramm-Leach Bliley Act-Student Information Security* as outlined in the OMB Compliance Supplement for the year ended June 30, 2020. We determined whether the State of West Virginia has designated an individual to coordinate the information security program. We determined whether the State of West Virginia performed a risk assessment that addresses the three required areas noted in 16 CFR 314.4 (b) and whether the State of West Virginia documented a safeguard for each risk identified from the three required to be risk assessed by 16 CFR 314.4 (b). Our audit procedures did not evaluate whether the designated individual that coordinated the information security program is competent to oversee the program nor whether the individual possessed the adequate authority to carry out those duties. Our audit procedures also did not determine whether the risk assessment sufficiently addressed the required areas, whether the risks identified are the appropriate risks or that the identified

risks appear to be a complete list. Further, our audit procedures did not determine whether the documented safeguards have been put in place or that they will effectively mitigate, reduce or even address the identified risks. Our opinion on the Student Financial Assistance Cluster major federal program is not modified with respect to this matter.

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 did identify 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.

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-001	14.228	Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020-002	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Reporting
2020-003	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility
2020-004	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Special Test and Provisions – UI Program Integrity - Overpayments
2020-005	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Reporting
2020-006	17.225/COVID-19 17.225	Unemployment Insurance (UI)	Special Tests and Provisions – Match with IRS 940 FUTA Tax Form
2020-009	COVID-19 21.019	Coronavirus Relief Fund	Subrecipient monitoring

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-010	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	Cash Management
2020-011	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
2020-014	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
2020-015	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
2020-018	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 – Gramm-Leach-Bliley Act – Student Information Security
2020-020	COVID-19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020-021	COVID-19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Reporting
2020-023	93.558/93.568/ 93.575/93.596/ COVID-19 93.575/ 93.658/93.659/ 93.767/93.775/ 93.777/93.778/ ARRA 93.778	Temporary Assistance for Needy Families (TANF), 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	Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Eligibility; Level of Effort; Special Tests and Provisions – Operation of a Foster Care Demonstration Project; Special Tests and Provisions – Payment Rate Setting and Application
2020-025	93.558	Temporary Assistance for Needy Families (TANF)	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

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-026	93.558	Temporary Assistance for Needy Families (TANF)	Special Tests and Provisions – Income Eligibility and Verification System
2020-029	93.568	Low-Income Home Energy Assistance	Reporting
2020-033	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Reporting
2020-034	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Utilization Control and Program Integrity
2020-035	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Inpatient Hospital and Long-term Care Facility Audits
2020-036	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Medicaid Fraud Control Unit (MFCU)
2020-037	93.775/93.777/ 93.778/ARRA - 93.778	Medicaid Cluster	Special Tests and Provisions – Medicaid National Correct Coding Initiative (NCCI)
2020-038	93.788/93.575/ 93.596/COVID-19 93.575/93.558	Opioid STR, Child Care and Development Fund (CCDF) Cluster, Temporary Assistance for Needy Families (TANF)	Subrecipient Monitoring
2020-039	93.788	Opioid STR	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020-040	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring

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.

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-007	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Special Tests and Provisions – Quality Assurance Program
2020-008	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Finding Number	Assistance Listing Number	Program or Cluster Name	Compliance Requirement
2020-012	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 – Verification
2020-013	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 – Disbursements to or on Behalf of Students
2020-016	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
2020-017	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 – Distance Education Program
2020-019	COVID -19 84.425E/84.425F/ 84.425J	Education Stabilization Fund	Reporting
2020-022	93.558/93.568/ 93.575/93.596/ COVID-19 93.575/ 93.658/93.659/ 93.767/93.775/ 93.777/93.778/ ARRA 93.778	Temporary Assistance for Needy Families (TANF), 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	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2020-030	93.658	Foster Care – Title IV-E	Reporting
2020-031	93.659	Adoption Assistance	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility

The State of West Virginia’s response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. 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 response.

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, 2020, and have issued our report thereon dated December 18, 2020, 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.

Ernst + Young LLP

March 31, 2021

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

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF AGRICULTURE</u>				
10.001	AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH	\$32,701	\$0	\$32,701
10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE	\$457,607	\$0	\$457,607
10.170	SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	\$90,982	\$57,111	\$148,093
10.174	ACER ACCESS DEVELOPMENT PROGRAM	\$1,611	\$0	\$1,611
10.178	TRADE MITIGATION PROGRAM ELIGIBLE RECIPIENT AGENCY OPERATIONAL FUNDS	\$0	\$608,129	\$608,129
10.202***	COOPERATIVE FORESTRY RESEARCH PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH	\$447,848	\$0	\$447,848
10.203***	ACT	\$3,573,160	\$0	\$3,573,160
10.207***	ANIMAL HEALTH AND DISEASE RESEARCH	\$1,930	\$0	\$1,930
10.215***	SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION	\$568	\$0	\$568
10.217	HIGHER EDUCATION CHALLENGE GRANTS	\$91,826	\$28,927	\$120,753
10.303	INTEGRATED PROGRAMS	\$72,809	\$46,956	\$119,765
10.304	HOMELAND SECURITY AGRICULTURE	\$42,973	\$0	\$42,973
10.310	AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)	\$291,965	\$0	\$291,965
	NATIONAL FOOD SAFETY TRAINING, EDUCATION, EXTENSION, OUTREACH, AND TECHNICAL			
10.328	ASSISTANCE COMPETITIVE GRANTS PROGRAM	\$98,175	\$0	\$98,175
	CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM			
10.329	PROGRAM	\$10,185	\$5,464	\$15,649
	ENHANCING AGRICULTURAL OPPORTUNITIES FOR MILITARY VETERANS			
10.334	COMPETITIVE GRANTS PROGRAM	\$42,062	\$0	\$42,062
10.351	RURAL BUSINESS DEVELOPMENT GRANT	\$29,674	\$0	\$29,674
	COOPERATIVE AGREEMENTS WITH STATES FOR INTRASTATE MEAT AND			
10.475	POULTRY INSPECTION	\$566,297	\$0	\$566,297
10.479	FOOD SAFETY COOPERATIVE AGREEMENTS	\$195,308	\$0	\$195,308
10.511	SMITH-LEVER FUNDING (VARIOUS PROGRAMS)	\$2,195,059	\$0	\$2,195,059
10.514	EXPANDED FOOD AND NUTRITION EDUCATION PROGRAM	\$1,145,440	\$0	\$1,145,440
	RENEWABLE RESOURCES EXTENSION ACT AND NATIONAL FOCUS FUND			
10.515	PROJECTS	\$54,201	\$0	\$54,201
	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN			
10.557	PROGRAM	\$19,015,416	\$8,717,143	\$27,732,559
10.558	CHILD AND ADULT CARE FOOD PROGRAM	\$339,084	\$14,473,158	\$14,812,242
10.560	STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	\$3,752,308	\$0	\$3,752,308
10.575	FARM TO SCHOOL GRANT PROGRAM	\$22,316	\$0	\$22,316
10.576	SENIOR FARMERS MARKET NUTRITION PROGRAM	\$430,952	\$0	\$430,952
10.579	CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	\$0	\$213,306	\$213,306
10.582	FRESH FRUIT AND VEGETABLE PROGRAM	\$0	\$2,420,111	\$2,420,111
10.589	CHILD NUTRITION DIRECT CERTIFICATION PERFORMANCE AWARDS	\$159,935	\$0	\$159,935
10.664	COOPERATIVE FORESTRY ASSISTANCE	\$834,617	\$175,629	\$1,010,246
	SCHOOLS AND ROADS-GRANTS TO STATES AND FOREST SERVICE			
10.665	SCHOOLS AND ROADS CLUSTER	\$1,514,789	\$0	\$1,514,789
10.676	FOREST LEGACY PROGRAM	\$32,953	\$0	\$32,953
10.678	FOREST STEWARDSHIP PROGRAM	\$22,727	\$0	\$22,727
10.680	FOREST HEALTH PROTECTION	\$262,210	\$0	\$262,210
10.691	GOOD NEIGHBOR AUTHORITY	\$24,500	\$0	\$24,500
10.698	STATE & PRIVATE FORESTRY COOPERATIVE FIRE ASSISTANCE	\$28,799	\$0	\$28,799
10.699	PARTNERSHIP AGREEMENTS	\$34,152	\$0	\$34,152
10.868	RURAL ENERGY FOR AMERICA PROGRAM	\$23,167	\$62,540	\$85,707
10.902	SOIL AND WATER CONSERVATION	\$184,986	\$0	\$184,986
10.903	SOIL SURVEY	\$11,612	\$0	\$11,612
10.904	WATERSHED PROTECTION AND FLOOD PREVENTION	\$30,013	\$0	\$30,013
10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	\$83,352	\$0	\$83,352
10.913	FARM AND RANCH LANDS PROTECTION PROGRAM	\$27,404	\$0	\$27,404
10.914	WILDLIFE HABITAT INCENTIVE PROGRAM	\$26,642	\$0	\$26,642
10.916	WATERSHED REHABILITATION PROGRAM	\$5,115,689	\$0	\$5,115,689
<u>SNAP CLUSTER</u>				
10.551	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)	\$533,130,202	\$0	\$533,130,202
	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL			
10.561	NUTRITION ASSISTANCE PROGRAM	\$17,967,890	\$798,815	\$18,766,705
	<u>TOTAL SNAP CLUSTER</u>	<u>\$551,098,092</u>	<u>\$798,815</u>	<u>\$551,896,907</u>
<u>CHILD NUTRITION CLUSTER</u>				
10.553	SCHOOL BREAKFAST PROGRAM (SBP)	\$173,218	\$35,794,438	\$35,967,656
10.555	NATIONAL SCHOOL LUNCH PROGRAM (NSLP)	\$11,250,718	\$99,190,337	\$110,441,055
10.556	SPECIAL MILK PROGRAM FOR CHILDREN (SMP)	\$0	\$9,019	\$9,019
10.559	SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (SFSPC)	\$80,104	\$7,111,701	\$7,191,805
	<u>TOTAL CHILD NUTRITION CLUSTER</u>	<u>\$11,504,040</u>	<u>\$142,105,495</u>	<u>\$153,609,535</u>

**STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020**

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
FOOD DISTRIBUTION CLUSTER				
10.565	COMMODITY SUPPLEMENTAL FOOD PROGRAM	\$1,777,369	\$351,531	\$2,128,900
10.568	EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	\$20,986	\$1,037,641	\$1,058,627
10.569	EMERGENCY FOOD ASSISTANCE PROGRAM (FOOD COMMODITIES)	\$17,150,600	\$0	\$17,150,600
COVID 10.569	COVID-19 - EMERGENCY FOOD ASSISTANCE PROGRAM (FOOD COMMODITIES)	\$550,817	\$0	\$550,817
	TOTAL FOOD DISTRIBUTION CLUSTER	\$19,499,772	\$1,389,172	\$20,888,944
10.U01	CONTRACT: GOOD NEIGHBOR AGREEMENT	\$35,447	\$0	\$35,447
10.U02	NATIONAL VISITOR USE MONITORING	\$253,771		\$253,771
10.U03	2019 WEST VIRGINIA FARMER TAX EDUCATION OUTREACH PROGRAM	\$28,182	\$0	\$28,182
TOTAL DEPARTMENT OF AGRICULTURE		\$623,839,308	\$171,101,956	\$794,941,264
DEPARTMENT OF COMMERCE				
11.307	ECONOMIC ADJUSTMENT ASSISTANCE AND ECONOMIC DEVELOPMENT CLUSTER	\$5,728,874	\$0	\$5,728,874
11.549	STATE AND LOCAL IMPLEMENTATION GRANT PROGRAM	\$3,690	\$66,052	\$69,742
TOTAL DEPARTMENT OF COMMERCE		\$5,732,564	\$66,052	\$5,798,616
DEPARTMENT OF DEFENSE				
12.002	PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE	\$187,605	\$0	\$187,605
12.113	REIMBURSEMENT OF TECHNICAL SERVICES	\$341,813	\$0	\$341,813
12.300***	BASIC AND APPLIED SCIENTIFIC RESEARCH	\$84,574	\$36,646	\$121,220
12.400	MILITARY CONSTRUCTION, NATIONAL GUARD NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	\$24,360	\$0	\$24,360
12.401	NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	\$27,367,851	\$0	\$27,367,851
12.404	NATIONAL GUARD CHALLENGE PROGRAM	\$7,022,972	\$0	\$7,022,972
12.431***	BASIC SCIENTIFIC RESEARCH	\$160	\$0	\$160
12.630***	BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	\$16,736	\$0	\$16,736
12.800***	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	\$221,588	\$0	\$221,588
12.900	LANGUAGE GRANT PROGRAM	\$31,088	\$57,144	\$88,232
12.902	INFORMATION SECURITY GRANT PROGRAM	\$185,584	\$0	\$185,584
12.U01	INTELLIGENT MULTIROTOR AUTONOMOUS GLIDER FOR RELOCATABLE SENSORS (MAGRS)	\$31,449	\$0	\$31,449
12.U02	IPA: ASSESSMENT OF POLYMERIC OR COMPOSITE MATERIALS FOR USE AS INFRASTRUCTURE ELEMENTS SUCH AS RAILROAD TIES	\$16,623	\$0	\$16,623
12.U03	IPA: ASSESSMENT OF POLYMERIC OR COMPOSITE MATERIALS FOR USE AS INFRASTRUCTURE ELEMENTS SUCH AS RAILROAD TIES; SKIDMORE AGREEMENT	\$30,080	\$0	\$30,080
TOTAL DEPARTMENT OF DEFENSE		\$35,562,483	\$93,790	\$35,656,273
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
14.110	MANUFACTURED HOME LOAN INSURANCE-FINANCING PURCHASE OF MANUFACTURED HOMES AS PRINCIPAL RESIDENCES OF BORROWERS	\$131,441	\$0	\$131,441
14.228	COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	\$19,364,800	\$11,063,622	\$30,428,422
14.231	EMERGENCY SOLUTIONS GRANT PROGRAM	\$65,307	\$1,550,461	\$1,615,768
14.241	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	\$15,051	\$509,855	\$524,906
14.400	EQUAL OPPORTUNITY IN HOUSING	(\$102,383)	\$0	(\$102,383)
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		\$19,474,216	\$13,123,938	\$32,598,154
DEPARTMENT OF THE INTERIOR				
15.250	REGULATION OF SURFACE COAL MINING AND SURFACE EFFECTS OF UNDERGROUND COAL MINING	\$8,338,052	\$0	\$8,338,052
15.252	ABANDONED MINE LAND RECLAMATION (AMLR)	\$22,020,985	\$13,094,552	\$35,115,537
15.433	FLOOD CONTROL ACT LANDS	\$134,584	\$66,032	\$200,616
15.438	NATIONAL FOREST ACQUIRED LANDS	\$27,493	\$4,900	\$32,393
15.608	FISH AND WILDLIFE MANAGEMENT ASSISTANCE	\$148,721	\$0	\$148,721
15.615	COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND	\$84,288	\$0	\$84,288
15.634	STATE WILDLIFE GRANTS	\$563,940	\$0	\$563,940
15.657	ENDANGERED SPECIES CONSERVATION - RECOVERY IMPLEMENTATION FUNDS	\$17,236	\$0	\$17,236
15.667	HIGHLANDS CONSERVATION	\$13,172	\$0	\$13,172
15.810	NATIONAL COOPERATIVE GEOLOGIC MAPPING	\$51,508	\$0	\$51,508
15.812	COOPERATIVE RESEARCH UNITS PROGRAM	\$60,169	\$0	\$60,169
15.814	NATIONAL GEOLOGICAL AND GEOPHYSICAL DATA PRESERVATION	\$26,803	\$0	\$26,803
15.904	HISTORIC PRESERVATION FUND GRANTS-IN-AID	\$545,014	\$204,710	\$749,724
15.916	OUTDOOR RECREATION-ACQUISITION, DEVELOPMENT AND PLANNING	\$22,661	\$899,387	\$922,048

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
15.939	HERITAGE PARTNERSHIP	\$342,494	\$0	\$342,494
15.945	COOPERATIVE RESEARCH AND TRAINING PROGRAMS - RESOURCES OF THE NATIONAL PARK SYSTEM	\$52,288	\$0	\$52,288
15.981	WATER USE AND DATA RESEARCH	\$28,065	\$0	\$28,065
<u>FISH AND WILDLIFE CLUSTER</u>				
15.605	SPORT FISH RESTORATION	\$7,845,952	\$0	\$7,845,952
15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	\$5,017,376	\$0	\$5,017,376
	<u>TOTAL FISH AND WILDLIFE CLUSTER</u>	<u>\$12,863,328</u>	<u>\$0</u>	<u>\$12,863,328</u>
<u>TOTAL DEPARTMENT OF THE INTERIOR</u>		<u>\$45,340,801</u>	<u>\$14,269,581</u>	<u>\$59,610,382</u>
<u>DEPARTMENT OF JUSTICE</u>				
16.017	SEXUAL ASSAULT SERVICES FORMULA PROGRAM	\$6,077	\$306,850	\$312,927
16.525	GRANTS TO REDUCE DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ON CAMPUS	\$153,819	\$0	\$153,819
16.540	JUVENILE JUSTICE AND DELINQUENCY PREVENTION	\$51,943	\$70,319	\$122,262
16.543	MISSING CHILDREN'S ASSISTANCE	\$716,371	\$0	\$716,371
16.550	STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS	\$38,278	\$16,160	\$54,438
16.554	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)	\$498,669	\$70,020	\$568,689
16.560	NATIONAL INSTITUTE OF JUSTICE RESEARCH,EVALUATION,AND DEVELOPMENT PROJECT GRANTS	\$113,906	\$0	\$113,906
16.575	CRIME VICTIM ASSISTANCE	\$512,974	\$7,961,722	\$8,474,696
16.576	CRIME VICTIM COMPENSATION	\$982,000	\$0	\$982,000
16.582	CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	\$4,095	\$2,912,591	\$2,916,686
16.585	DRUG COURT DISCRETIONARY GRANT PROGRAM	\$398,522	\$0	\$398,522
16.588	VIOLENCE AGAINST WOMEN FORMULA GRANTS	\$160,714	\$1,036,682	\$1,197,396
16.589	RURAL DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ASSISTANCE PROGRAM	\$2,648	\$139,560	\$142,208
16.590	GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS PROGRAM	\$202,866	\$133,619	\$336,485
16.593	RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	\$14,957	\$49,852	\$64,809
16.601	CORRECTIONS TRAINING AND STAFF DEVELOPMENT	\$268,720	\$0	\$268,720
16.609	PROJECT SAFE NEIGHBORHOODS	\$0	\$51,211	\$51,211
16.710	PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	\$5,607	\$0	\$5,607
16.738	EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	\$369,780	\$531,586	\$901,366
16.741	DNA BACKLOG REDUCTION PROGRAM	\$358,403	\$0	\$358,403
16.742	PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	\$266,111	\$0	\$266,111
16.751	EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM	\$0	\$44,658	\$44,658
16.754	HAROLD ROGERS PRESCRIPTION DRUG MONITORING PROGRAM	\$7,813	\$0	\$7,813
16.813	NICS ACT RECORD IMPROVEMENT PROGRAM	\$1,279,941	\$0	\$1,279,941
16.816	JOHN R. JUSTICE PROSECUTORS AND DEFENDERS INCENTIVE ACT	\$2,669	\$30,501	\$33,170
16.827	JUSTICE REINVESTMENT INITIATIVE	\$16,586	\$0	\$16,586
16.833	NATIONAL SEXUAL ASSAULT KIT INITIATIVE	\$392,617	\$85,292	\$477,909
16.838	COMPREHENSIVE OPIOID, STIMULANT, AND SUBSTANCE ABUSE PROGRAM	\$75,756	\$448,819	\$524,575
16.839	STOP SCHOOL VIOLENCE	\$0	\$237,951	\$237,951
16.922	EQUITABLE SHARING PROGRAM	\$16,240	\$0	\$16,240
16.U01	MISCELLANEOUS JUSTICE PROGRAMS	\$812,336	\$0	\$812,336
16.U02	EQUITABLE SHARING PROGRAM-JUSTICE	\$328,840	\$0	\$328,840
16.U03	PURDUE PHARMA SETTLEMENT	\$37,683	\$0	\$37,683
<u>TOTAL DEPARTMENT OF JUSTICE</u>		<u>\$8,096,941</u>	<u>\$14,127,393</u>	<u>\$22,224,334</u>
<u>DEPARTMENT OF LABOR</u>				
17.002	LABOR FORCE STATISTICS	\$559,682	\$0	\$559,682
17.005	COMPENSATION AND WORKING CONDITIONS	\$86,216	\$0	\$86,216
17.225	UNEMPLOYMENT INSURANCE (NOTE 4)	\$621,556,348	\$0	\$621,556,348
COVID 17.225	COVID-19 UNEMPLOYMENT INSURANCE (NOTE 4)	\$876,277,631	\$0	\$876,277,631
17.235	SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	\$54,233	\$621,763	\$675,996
17.245	TRADE ADJUSTMENT ASSISTANCE	\$2,840,216	\$0	\$2,840,216
17.268	H-1B JOB TRAINING GRANTS	\$1,322,210	\$0	\$1,322,210
17.269	COMMUNITY BASED JOB TRAINING GRANTS	\$807,987	\$0	\$807,987
17.271	WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)	(\$57,094)	\$0	(\$57,094)
17.273	TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS	\$83,822	\$0	\$83,822
17.277	WIOA NATIONAL DISLOCATED WORKER GRANTS/WIA NATIONAL EMERGENCY GRANTS	\$281,079	\$2,679,353	\$2,960,432

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
17.285	APPRENTICESHIP USA GRANTS	\$53,638	\$0	\$53,638
17.504	CONSULTATION AGREEMENTS	\$452,996	\$0	\$452,996
17.600	MINE HEALTH AND SAFETY GRANTS	\$758,499	\$0	\$758,499
17.999	MISCELLANEOUS LABOR PROGRAMS	\$771,286	\$0	\$771,286
<u>EMPLOYMENT SERVICE CLUSTER</u>				
17.207	EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	\$4,679,729	\$0	\$4,679,729
17.801	DISABLED VETERANS' OUTREACH PROGRAM (DVOP)	\$652,312	\$0	\$652,312
17.804	LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE (LVER) PROGRAM	\$169,989	\$0	\$169,989
	<u>TOTAL EMPLOYMENT SERVICE CLUSTER</u>	\$5,502,030	\$0	\$5,502,030
<u>WIOA CLUSTER</u>				
17.258	WIA/WIOA - ADULT PROGRAM	(\$1,259)	\$5,132,352	\$5,131,093
17.259	WIA/WIOA - YOUTH ACTIVITIES	\$0	\$4,913,636	\$4,913,636
17.278	WIA/WIOA DISLOCATED WORKER FORMULA GRANTS	\$1,548,716	\$6,726,642	\$8,275,358
	<u>TOTAL WIOA CLUSTER</u>	\$1,547,457	\$16,772,630	\$18,320,087
<u>TOTAL DEPARTMENT OF LABOR</u>		\$1,512,898,236	\$20,073,746	\$1,532,971,982
<u>DEPARTMENT OF STATE</u>				
19.009	ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS	\$251	\$0	\$251
<u>TOTAL DEPARTMENT OF STATE</u>		\$251	\$0	\$251
<u>DEPARTMENT OF TRANSPORTATION</u>				
20.106	AIRPORT IMPROVEMENT PROGRAM	\$48,787	\$0	\$48,787
20.200	HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	\$5,410	\$0	\$5,410
20.205*	HIGHWAY PLANNING AND CONSTRUCTION	\$429,530,836	\$7,203,619	\$436,734,455
20.215	HIGHWAY TRAINING AND EDUCATION	\$34,101	\$0	\$34,101
20.219*	RECREATIONAL TRAILS PROGRAM	\$383,039	\$0	\$383,039
20.232	COMMERCIAL DRIVER'S LICENSE PROGRAM IMPLEMENTATION GRANT	\$13,292	\$0	\$13,292
20.301	RAILROAD SAFETY	\$5,740	\$0	\$5,740
20.505	METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH	\$111,535	\$0	\$111,535
20.509	FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM	\$2,295,797	\$9,217,846	\$11,513,643
20.513	ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES AND TRANSIT SERVICES PROGRAM CLUSTER	\$818,130	\$888,654	\$1,706,784
20.528	RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEM STATE SAFETY OVERSIGHT FORMULA GRANT PROGRAM	\$271,279	\$0	\$271,279
20.614	NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) DISCRETIONARY SAFETY GRANTS AND COOPERATIVE AGREEMENTS	\$59,827	\$0	\$59,827
20.700	PIPELINE SAFETY PROGRAM STATE BASE GRANT	\$698,029	\$0	\$698,029
20.703	INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	\$231,636	\$61,868	\$293,504
20.724	PIPELINE SAFETY RESEARCH COMPETITIVE ACADEMIC AGREEMENT PROGRAM (CAAP)	\$24,405	\$0	\$24,405
<u>FMCSA CLUSTER</u>				
20.218	MOTOR CARRIER SAFETY ASSISTANCE	\$2,081,238	\$0	\$2,081,238
20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY GRANTS AND COOPERATIVE AGREEMENTS	\$318,203	\$0	\$318,203
	<u>TOTAL FMCSA CLUSTER</u>	\$2,399,441	\$0	\$2,399,441
<u>FEDERAL TRANSIT CLUSTER</u>				
20.500	FEDERAL TRANSIT - CAPITAL INVESTMENT GRANTS	\$26,653	\$0	\$26,653
20.525	STATE OF GOOD REPAIR GRANTS PROGRAM	\$2,325,679	\$0	\$2,325,679
20.526	BUSES AND BUS FACILITIES FORMULA, COMPETITIVE, AND LOW OR NO EMISSIONS PROGRAMS	\$173,882	\$0	\$173,882
	<u>TOTAL FEDERAL TRANSIT CLUSTER</u>	\$2,526,214	\$0	\$2,526,214
<u>HIGHWAY SAFETY CLUSTER</u>				
20.600	STATE AND COMMUNITY HIGHWAY SAFETY	\$1,648,511	\$3,492,534	\$5,141,045
20.616	NATIONAL PRIORITY SAFETY PROGRAMS	\$1,632,288	\$0	\$1,632,288
	<u>TOTAL HIGHWAY SAFETY CLUSTER</u>	\$3,280,799	\$3,492,534	\$6,773,333
<u>TOTAL DEPARTMENT OF TRANSPORTATION</u>		\$442,738,297	\$20,864,521	\$463,602,818
<u>DEPARTMENT OF THE TREASURY</u>				
COVID 21.019	CORONAVIRUS RELIEF FUND	\$57,000,000	\$14,899,033	\$71,899,033
21.U01	EQUITABLE SHARING PROGRAM-TREASURY	\$10	\$0	\$10
<u>TOTAL DEPARTMENT OF THE TREASURY</u>		\$57,000,010	\$14,899,033	\$71,899,043

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>APPALACHIAN REGIONAL COMMISSION</u>				
23.001	APPALACHIAN REGIONAL DEVELOPMENT	\$528,874	\$0	\$528,874
23.002	APPALACHIAN AREA DEVELOPMENT	\$230,725	\$325,926	\$556,651
23.011	APPALACHIAN RESEARCH, TECHNICAL ASSISTANCE, AND DEMONSTRATION PROJECTS	\$65,981	\$0	\$65,981
23.U01	WORKFORCE CONSTRUCTION, TELECOMMUNICATIONS, & ENERGY (CCE) TRAINING CENTER	\$180,234	\$0	\$180,234
<u>TOTAL APPALACHIAN REGIONAL COMMISSION</u>		<u>\$1,005,814</u>	<u>\$325,926</u>	<u>\$1,331,740</u>
<u>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>				
30.001	EMPLOYMENT DISCRIMINATION-TITLE VII OF THE CIVIL RIGHTS ACT OF 1964	\$3,580	\$0	\$3,580
<u>TOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>		<u>\$3,580</u>	<u>\$0</u>	<u>\$3,580</u>
<u>GENERAL SERVICES ADMINISTRATION</u>				
39.003	DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY	\$97,683	\$0	\$97,683
<u>TOTAL GENERAL SERVICES ADMINISTRATION</u>		<u>\$97,683</u>	<u>\$0</u>	<u>\$97,683</u>
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
43.008	OFFICE OF STEM ENGAGEMENT (OSTEM)	\$50,980	\$0	\$50,980
43.009	SAFETY, SECURITY AND MISSION SERVICES	\$344,144	\$0	\$344,144
<u>TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>		<u>\$395,124</u>	<u>\$0</u>	<u>\$395,124</u>
<u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
45.025	PROMOTION OF THE ARTS PARTNERSHIP AGREEMENTS	\$333,347	\$465,577	\$798,924
45.129	PROMOTION OF THE HUMANITIES FEDERAL STATE PARTNERSHIP	\$2,804	\$0	\$2,804
45.310	GRANTS TO STATES	\$1,176,756	\$468,319	\$1,645,075
<u>TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>		<u>\$1,512,907</u>	<u>\$933,896</u>	<u>\$2,446,803</u>
<u>NATIONAL SCIENCE FOUNDATION</u>				
47.041***	ENGINEERING GRANTS	\$8,750	\$0	\$8,750
47.049***	MATHEMATICAL AND PHYSICAL SCIENCES	\$15,234	\$0	\$15,234
47.070***	COMPUTER AND INFORMATION SCIENCE AND ENGINEERING	\$8,443	\$0	\$8,443
47.076***	EDUCATION AND HUMAN RESOURCES	\$446,195	\$0	\$446,195
47.081***	OFFICE OF EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH	\$720,076	\$3,498,704	\$4,218,780
<u>TOTAL NATIONAL SCIENCE FOUNDATION</u>		<u>\$1,198,698</u>	<u>\$3,498,704</u>	<u>\$4,697,402</u>
<u>SMALL BUSINESS ADMINISTRATION</u>				
59.037	SMALL BUSINESS DEVELOPMENT CENTERS	\$729,584	\$0	\$729,584
59.058	FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM	\$24,353	\$0	\$24,353
59.061	STATE TRADE EXPANSION	\$0	\$93,618	\$93,618
<u>TOTAL SMALL BUSINESS ADMINISTRATION</u>		<u>\$753,937</u>	<u>\$93,618</u>	<u>\$847,555</u>
<u>DEPARTMENT OF VETERANS AFFAIRS</u>				
64.015	VETERANS STATE NURSING HOME CARE	\$7,000,790	\$0	\$7,000,790
64.124	ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE	\$179,126	\$0	\$179,126
64.203	VETERANS CEMETERY GRANTS PROGRAM	\$49,425	\$0	\$49,425
64.028	POST-9/11 VETERANS EDUCATIONAL ASSISTANCE	\$174,069	\$0	\$174,069
<u>TOTAL DEPARTMENT OF VETERANS AFFAIRS</u>		<u>\$7,403,410</u>	<u>\$0</u>	<u>\$7,403,410</u>
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
66.001	AIR POLLUTION CONTROL PROGRAM SUPPORT	\$897,123	\$0	\$897,123
66.032	STATE INDOOR RADON GRANTS	\$98,589	\$3,137	\$101,726
66.034	SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT	\$565,969	\$0	\$565,969
66.204	MULTIPURPOSE GRANTS TO STATES AND TRIBES	\$0	\$7,838	\$7,838
66.419	WATER POLLUTION CONTROL STATE, INTERSTATE, AND TRIBAL PROGRAM SUPPORT	\$1,461,274	\$0	\$1,461,274
66.432	STATE PUBLIC WATER SYSTEM SUPERVISION	\$693,441	\$0	\$693,441
66.433	STATE UNDERGROUND WATER SOURCE PROTECTION	\$116,585	\$0	\$116,585
66.454	WATER QUALITY MANAGEMENT PLANNING	\$30,321	\$126,032	\$156,353
66.458	CAPITALIZATION GRANTS FOR CLEAN WATER STATE REVOLVING FUNDS AND CLEAN WATER STATE REVOLVING FUND CLUSTER	\$0	\$24,742,567	\$24,742,567
66.460	NONPOINT SOURCE IMPLEMENTATION GRANTS	\$637,579	\$613,150	\$1,250,729
66.461	REGIONAL WETLAND PROGRAM DEVELOPMENT GRANTS	\$386,645	\$0	\$386,645
66.466	CHESAPEAKE BAY PROGRAM	\$1,691,228	\$869,774	\$2,561,002
66.468	CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS AND DRINKING WATER STATE REVOLVING FUND CLUSTER	\$1,412,087	\$369,798	\$1,781,885

**STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020**

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
66.605	PERFORMANCE PARTNERSHIP GRANTS	\$351,268	\$0	\$351,268
66.608	ENVIRONMENTAL INFORMATION EXCHANGE NETWORK GRANT PROGRAM AND RELATED ASSISTANCE	\$0	\$1,462	\$1,462
66.701	TOXIC SUBSTANCES COMPLIANCE MONITORING COOPERATIVE AGREEMENTS	\$144,644	\$0	\$144,644
66.707	TSCA TITLE IV STATE LEAD GRANTS CERTIFICATION OF LEAD-BASED PAINT PROFESSIONALS	\$69,686	\$0	\$69,686
66.708	POLLUTION PREVENTION GRANTS PROGRAM	\$84,895	\$0	\$84,895
66.801	HAZARDOUS WASTE MANAGEMENT STATE PROGRAM SUPPORT	\$1,086,256	\$0	\$1,086,256
66.802	SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE- SPECIFIC COOPERATIVE AGREEMENTS	\$67,863	\$0	\$67,863
66.804	UNDERGROUND STORAGE TANK PREVENTION, DETECTION AND COMPLIANCE PROGRAM	\$271,561	\$0	\$271,561
66.805	LEAKING UNDERGROUND STORAGE TANK TRUST FUND CORRECTIVE ACTION PROGRAM	\$972,200	\$0	\$972,200
66.809	SUPERFUND STATE AND INDIAN TRIBE CORE PROGRAM COOPERATIVE AGREEMENTS	\$30,658	\$0	\$30,658
66.817	STATE AND TRIBAL RESPONSE PROGRAM GRANTS	\$269,845	\$0	\$269,845
66.818	BROWNFIELD ASSESSMENT AND CLEANUP COOPERATIVE AGREEMENTS	\$93,906	\$0	\$93,906
66.U01	POWERED UP: AN ADVANCED PSEFMP MANAGEMENT SYSTEM	\$2,561	\$0	\$2,561
66.U02	OPERATIONALIZING WETLAND FUNCTIONAL ASSESSMENT IN WV	\$6,446	\$0	\$6,446
66.U03	MISC. FEDERAL AWARD PROGRAMS	\$6,286,032	\$0	\$6,286,032
66.U04	PESTICIDE SAFETY EDUCATION PROGRAM IN WEST VIRGINIA 2019	\$10,948	\$0	\$10,948
TOTAL ENVIRONMENTAL PROTECTION AGENCY		\$17,739,610	\$26,733,758	\$44,473,368
DEPARTMENT OF ENERGY				
81.041	STATE ENERGY PROGRAM	\$378,960	\$110,712	\$489,672
81.042	WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	\$223,057	\$3,245,499	\$3,468,556
81.049	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM	\$179,835	\$0	\$179,835
81.057	UNIVERSITY COAL RESEARCH	\$57,368	\$0	\$57,368
81.086***	CONSERVATION RESEARCH AND DEVELOPMENT	\$28,034	\$3,342	\$31,376
81.087***	RENEWABLE ENERGY RESEARCH AND DEVELOPMENT	\$17,993	\$0	\$17,993
81.089***	FOSSIL ENERGY RESEARCH AND DEVELOPMENT (NOTE 3) ENERGY EFFICIENCY AND RENEWABLE ENERGY INFORMATION DISSEMINATION, OUTREACH, TRAINING AND TECHNICAL	\$64,461	\$0	\$64,461
81.117	ANALYSIS/ASSISTANCE	\$331,609	\$0	\$331,609
81.119	STATE ENERGY PROGRAM SPECIAL PROJECTS UCFER: COMPUTATIONAL INVESTIGATION OF COAL CONVERSION VIA MICROWAVE INDUCED PLASMAS	\$1,477	\$26,417	\$27,894
81.U01		\$87,641	\$0	\$87,641
TOTAL DEPARTMENT OF ENERGY		\$1,370,435	\$3,385,970	\$4,756,405
DEPARTMENT OF EDUCATION				
84.002	ADULT EDUCATION - BASIC GRANTS TO STATES	\$569,128	\$3,278,314	\$3,847,442
84.007**	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (FSEOG)	\$4,671,029	\$0	\$4,671,029
84.010	TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES TITLE I STATE AGENCY PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN AND YOUTH	\$1,020,374	\$102,053,469	\$103,073,843
84.013	HIGHER EDUCATION INSTITUTIONAL AID	\$1,073,169	\$0	\$1,073,169
84.031	FEDERAL WORK-STUDY PROGRAM (FWS)	\$2,917,845	\$0	\$2,917,845
84.033**	FEDERAL PERKINS LOAN (FPL) - FEDERAL CAPITAL CONTRIBUTIONS	\$3,780,655	\$0	\$3,780,655
84.038**	CAREER AND TECHNICAL EDUCATION-BASIC GRANTS TO STATES	\$34,754,960	\$0	\$34,754,960
84.048	FEDERAL PELL GRANT PROGRAM (PELL)	\$2,998,214	\$5,066,534	\$8,064,748
84.063**	REHABILITATION SERVICES-VOCATIONAL REHABILITATION GRANTS TO STATES	\$103,961,011	\$0	\$103,961,011
84.126	INDEPENDENT LIVING-STATE GRANTS	\$20,869,662	\$0	\$20,869,662
84.169	REHABILITATION SERVICES INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND	\$0	\$360,356	\$360,356
84.177	SPECIAL EDUCATION - GRANTS FOR INFANTS AND FAMILIES SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	\$254,811	\$0	\$254,811
84.181	EDUCATION FOR HOMELESS CHILDREN AND YOUTH	\$2,192,391	\$403,578	\$2,595,969
84.187		\$342,138	\$0	\$342,138
84.196		\$70,278	\$378,223	\$448,501
84.206	JAVIS GIFTED AND TALENTED STUDENTS EDUCATION GRANT PROGRAM	\$17,188	\$0	\$17,188
84.268**	FEDERAL DIRECT STUDENT LOANS	\$408,341,981	\$0	\$408,341,981
84.287	TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	\$2,529,699	\$5,556,109	\$8,085,808
84.325	SPECIAL EDUCATION-TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	\$30,168	\$0	\$30,168
84.326		\$89,060	\$1,705	\$90,765

**STATE OF WEST VIRGINIA
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FEDERAL GRANTOR LISTING
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FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
84.334	GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	\$1,751,656	\$1,101,877	\$2,853,533
84.358	RURAL EDUCATION	\$64,063	\$1,748,908	\$1,812,971
84.365	ENGLISH LANGUAGE ACQUISITION STATE GRANTS	\$59,803	\$640,654	\$700,457
84.367	SUPPORTING EFFECTIVE INSTRUCTION STATE GRANT	\$241,094	\$15,643,516	\$15,884,610
84.369	GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES	\$4,809,472	\$2,162,338	\$6,971,810
84.376	NATIONAL SCIENCE AND MATHEMATICS ACCESS TO RETAIN TALENT (SMART) GRANTS (SMART GRANTS)	\$12,594	\$0	\$12,594
84.377	SCHOOL IMPROVEMENT GRANTS	\$3,276	\$555,906	\$559,182
84.379**	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)	\$314,104	\$0	\$314,104
84.424	STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	\$77,842	\$4,690,384	\$4,768,226
<u>EDUCATION STABILIZATION FUND</u>				
COVID 84.425E	EDUCATION STABILIZATION FUND - HEERF STUDENT	\$19,615,435	\$0	\$19,615,435
COVID 84.425F	EDUCATION STABILIZATION FUND - HEERF INSTITUTIONAL	\$20,290,841	\$0	\$20,290,841
COVID 84.425J	EDUCATION STABILIZATION FUND - HBCU	\$754,786	\$0	\$754,786
	<u>TOTAL EDUCATION STABILIZATION FUND</u>	<u>\$40,661,062</u>	<u>\$0</u>	<u>\$40,661,062</u>
<u>SPECIAL EDUCATION CLUSTER (IDEA)</u>				
84.027	SPECIAL EDUCATION-GRANTS TO STATES (IDEA, PART B)	\$7,131,047	\$76,170,608	\$83,301,655
84.173	SPECIAL EDUCATION-PRESCHOOL GRANTS (IDEA PRESCHOOL)	\$466,866	\$2,897,440	\$3,364,306
	<u>TOTAL SPECIAL EDUCATION CLUSTER (IDEA)</u>	<u>\$7,597,913</u>	<u>\$79,068,048</u>	<u>\$86,665,961</u>
<u>TRIO CLUSTER</u>				
84.042	TRIO-STUDENT SUPPORT SERVICES	\$1,509,328	\$0	\$1,509,328
84.044	TRIO-TALENT SEARCH	\$217,387	\$0	\$217,387
84.047	TRIO-UPWARD BOUND	\$2,068,439	\$0	\$2,068,439
84.217	TRIO-MCNAIR POST-BACCALAUREATE ACHIEVEMENT	\$255,948	\$0	\$255,948
	<u>TOTAL TRIO CLUSTER</u>	<u>\$4,051,102</u>	<u>\$0</u>	<u>\$4,051,102</u>
84.U01	PERFORMANCE BASED DATA MANAGEMENT INITIATIVE	\$10,072	\$0	\$10,072
84.U02	NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS	\$145,711	\$0	\$145,711
<u>TOTAL DEPARTMENT OF EDUCATION</u>		<u>\$650,283,525</u>	<u>\$222,709,919</u>	<u>\$872,993,444</u>
<u>ELECTION ASSISTANCE COMMISSION</u>				
90.401	HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	\$8,019,565	\$0	\$8,019,565
<u>TOTAL ELECTION ASSISTANCE COMMISSION</u>		<u>\$8,019,565</u>	<u>\$0</u>	<u>\$8,019,565</u>
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
93.041	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 3-PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	\$1,771	\$12,700	\$14,471
93.042	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 2-LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$92,224	\$9,774	\$101,998
93.043	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART D-DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	\$8,158	\$148,305	\$156,463
93.048	SPECIAL PROGRAMS FOR THE AGING-TITLE IV AND TITLE II - DISCRETIONARY PROJECTS	\$59,381	\$158,600	\$217,981
93.051	ALZHEIMER'S DISEASE DEMONSTRATION GRANTS TO STATES	\$255	\$15,574	\$15,829
93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$681	\$1,239,477	\$1,240,158
93.069	PUBLIC HEALTH EMERGENCY PREPAREDNESS	\$1,436,065	\$2,517,168	\$3,953,233
93.070	ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE	\$2,899	\$0	\$2,899
93.071	MEDICARE ENROLLMENT ASSISTANCE PROGRAM	\$4,820	\$219,807	\$224,627
93.073	BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE	\$5,148	\$29,827	\$34,975
93.074	HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	\$901,986	\$1,149,977	\$2,051,963
93.079	COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	\$33,026	\$29,847	\$62,873
93.090	GUARDIANSHIP ASSISTANCE	\$1,974,668	\$0	\$1,974,668
93.092	AFFORDABLE CARE ACT (ACA) PERSONAL RESPONSIBILITY EDUCATION PROGRAM	\$56,221	\$162,741	\$218,962
93.103***	FOOD AND DRUG ADMINISTRATION-RESEARCH COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN	\$821,120	\$4,377	\$825,497
93.104	WITH SERIOUS EMOTIONAL DISTURBANCES (SED)	\$28,846	\$91,350	\$120,196
93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	\$94,912	\$0	\$94,912
93.116	PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	\$218,145	\$0	\$218,145

**STATE OF WEST VIRGINIA
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FEDERAL GRANTOR LISTING
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93.127	EMERGENCY MEDICAL SERVICES FOR CHILDREN	\$98,699	\$27,506	\$126,205
93.130	COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	\$147,068	\$10,603	\$157,671
93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	\$1,351,707	\$227,954	\$1,579,661
93.150	PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	\$2,905	\$209,291	\$212,196
93.165	GRANTS TO STATES FOR LOAN REPAYMENT PROGRAM	\$0	\$237,450	\$237,450
93.191	GRADUATE PSYCHOLOGY EDUCATION	\$113,136	\$0	\$113,136
93.197	CHILDHOOD LEAD POISONING PREVENTION PROJECTS, STATE AND LOCAL CHILDHOOD LEAD POISONING PREVENTION AND SURVEILLANCE OF BLOOD LEVELS IN CHILDREN	\$380,924	\$0	\$380,924
93.217	FAMILY PLANNING-SERVICES	\$1,812,160	\$0	\$1,812,160
93.235	AFFORDABLE CARE ACT (ACA) ABSTINENCE EDUCATION PROGRAM	\$4,456	\$325,747	\$330,203
93.236	GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	\$599	\$34,436	\$35,035
93.241	STATE RURAL HOSPITAL FLEXIBILITY PROGRAM	\$125,154	\$578,503	\$703,657
93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$259,344	\$4,589,630	\$4,848,974
93.247	ADVANCED NURSING EDUCATION WORKFORCE GRANT PROGRAM	\$485,905	\$0	\$485,905
93.251	EARLY HEARING DETECTION AND INTERVENTION	\$76,088	\$76,972	\$153,060
93.264**	NURSE FACULTY LOAN PROGRAM (NFLP)	\$164,537	\$0	\$164,537
93.268	IMMUNIZATION COOPERATIVE AGREEMENTS	\$996,722	\$646,231	\$1,642,953
93.270	VIRAL HEPATITIS PREVENTION AND CONTROL	\$281,874	\$82,539	\$364,413
93.279	DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	\$234,415	\$0	\$234,415
93.283	CENTERS FOR DISEASE CONTROL AND PREVENTION INVESTIGATIONS AND TECHNICAL ASSISTANCE	(\$38,129)	(\$59,083)	(\$97,212)
93.301	SMALL RURAL HOSPITAL IMPROVEMENT GRANT PROGRAM	\$0	\$269,837	\$269,837
93.305	PPFH 2018: OFFICE OF SMOKING AND HEALTH - NATIONAL STATE - BASED TOBACCO CONTROL PROGRAMS - FINANCED IN PART BY 2018 PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$476,045	\$340,750	\$816,795
93.319	OUTREACH PROGRAMS TO REDUCE THE PREVALENCE OF OBESITY IN HIGH RISK RURAL AREAS	\$525,824	\$51,415	\$577,239
93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	\$1,548,991	\$203,868	\$1,752,859
COVID 93.323	COVID-19 - EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	\$3,234	\$0	\$3,234
93.342**	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS (HPSL/PCL/LDS)	\$7,850,454	\$0	\$7,850,454
93.354	PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	\$2,272,968	\$628,928	\$2,901,896
COVID 93.354	COVID-19 - PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	\$230,212	\$1,221,223	\$1,451,435
93.364**	NURSING STUDENT LOANS (NSL)	\$742,367	\$0	\$742,367
93.366	STATE ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES AND PARTNER ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES	\$198,399	\$226,831	\$425,230
93.367	FLEXIBLE FUNDING MODEL - INFRASTRUCTURE DEVELOPMENT AND MAINTENANCE FOR STATE MANUFACTURING FOOD REGULATORY PROGRAMS	\$191,224	\$0	\$191,224
93.393	CANCER CAUSE AND PREVENTION RESEARCH	\$339,775	\$0	\$339,775
93.413	THE STATE FLEXIBILITY TO STABILIZE THE MARKET GRANT PROGRAM IMPROVING THE HEALTH OF AMERICANS THROUGH PREVENTION AND	\$50,328	\$0	\$50,328
93.426	MANAGEMENT OF DIABETES AND HEART DISEASE AND STROKE WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN)	\$886,843	\$423,604	\$1,310,447
93.436	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) COOPERATIVE	\$183,581	\$225,289	\$408,870
93.521	AGREEMENTS;PPHF	(\$153)	\$0	(\$153)
93.556	MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES	\$1,253,888	\$712,518	\$1,966,406
93.558	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	\$68,328,506	\$12,274,031	\$80,602,537
93.560	PAYMENTS TO TERRITORIES - ADULTS	(\$13,921)	\$0	(\$13,921)
93.563	CHILD SUPPORT ENFORCEMENT	\$25,401,788	\$0	\$25,401,788
93.566	REFUGEE AND ENTRANT ASSISTANCE-STATE ADMINISTERED PROGRAMS	\$5,433	\$75,002	\$80,435
93.568	LOW-INCOME HOME ENERGY ASSISTANCE	\$24,946,584	\$9,403,372	\$34,349,956
93.569	COMMUNITY SERVICES BLOCK GRANTS	\$206,851	\$7,737,653	\$7,944,504
93.586	STATE COURT IMPROVEMENT PROGRAM	\$336,900	\$0	\$336,900
93.590	COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	\$0	\$235,991	\$235,991

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93.597	GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS	\$90,906	\$0	\$90,906
93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	\$419,947	\$29,575	\$449,522
93.600	HEAD START AND HEAD START CLUSTER	\$29,638	\$56,456	\$86,094
93.603	ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS	\$241	\$57,683	\$57,924
93.630	DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	\$195,700	\$401,253	\$596,953
93.643	CHILDREN'S JUSTICE GRANTS TO STATES	\$161,075	\$91,146	\$252,221
93.645	STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM	\$1,695,270	\$0	\$1,695,270
93.658	FOSTER CARE-TITLE IV-E	\$63,408,955	\$619,699	\$64,028,654
93.659	ADOPTION ASSISTANCE	\$54,288,401	\$146,251	\$54,434,652
	SUBSTANCE USE - DISORDER PREVENTION THAT PROMOTES OPIOID RECOVERY AND TREATMENT (SUPPORT) FOR PATIENTS AND COMMUNITIES ACT	\$734,708	\$0	\$734,708
93.664	SOCIAL SERVICES BLOCK GRANT	\$19,983,342	\$0	\$19,983,342
93.667	CHILD ABUSE AND NEGLECT STATE GRANTS	\$37,583	\$77,922	\$115,505
93.669	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$1,452	\$1,034,643	\$1,036,095
93.671	JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD	\$923,485	\$370,611	\$1,294,096
93.674	MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS	\$351,017	\$0	\$351,017
93.735	STATE PUBLIC HEALTH APPROACHES FOR ENSURING QUITLINE CAPACITY - FUNDED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF) PPHF: HEALTH CARE SURVEILLANCE/HEALTH STATISTICS- SURVEILLANCE PROGRAM ANNOUNCEMENT: BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$114,108	\$0	\$114,108
93.745	ELDER ABUSE PREVENTION INTERVENTION PROGRAM	\$266,197	\$0	\$266,197
93.747	STATE AND LOCAL PUBLIC HEALTH ACTIONS TO PREVENT OBESITY, DIABETES, HEART DISEASE, AND STROKE (PPHF)	\$73,022	\$0	\$73,022
93.757	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	(\$983)	(\$958)	(\$1,941)
93.758	CHILDREN'S HEALTH INSURANCE PROGRAM	\$0	(\$370)	(\$370)
93.767	CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) RESEARCH, DEMONSTRATIONS AND EVALUATIONS	\$73,990,124	\$0	\$73,990,124
93.779	OPIOID STR	\$78,768	\$308,125	\$386,893
93.788	MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION	\$9,699,082	\$12,313,297	\$22,012,379
93.791	ORGANIZED APPROACHES TO INCREASE COLORECTAL CANCER SCREENING	\$1,252,952	\$1,094,763	\$2,347,715
93.800	HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES	\$387,781	\$112,200	\$499,981
93.817	DIABETES ENDOCRINOLOGY AND METABOLISM RESEARCH	\$0	\$61,117	\$61,117
93.847	EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS	\$52,219	\$0	\$52,219
93.853	BIOMEDICAL RESEARCH AND RESEARCH TRAINING (NOTE 3)	\$35,673	\$0	\$35,673
93.859***	CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT PROGRAM AND MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER	\$1,040,925	\$0	\$1,040,925
93.865***	MEDICAL LIBRARY ASSISTANCE	\$54,072	\$0	\$54,072
93.870	NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM	\$468,986	\$4,926,349	\$5,395,335
93.879	COVID-19 - NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM	\$5,000	\$0	\$5,000
93.889	CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS	\$328,698	\$907,853	\$1,236,551
COVID 93.889	GRANTS TO STATES FOR OPERATION OF STATE OFFICES OF RURAL HEALTH	\$0	\$186,440	\$186,440
93.898	SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	\$1,655,025	\$418,644	\$2,073,669
93.913	HIV CARE FORMULA GRANTS	\$181,331	(\$14)	\$181,317
93.917	HUMAN IMMUNODEFICIENCY VIRUS (HIV)/ACQUIRED IMMUNODEFICIENCY VIRUS SYNDROME (AIDS) SURVEILLANCE	\$5,727,930	\$1,998,361	\$7,726,291
93.925**	COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS	\$650,000	\$0	\$650,000
93.940	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$784,790	\$47,115	\$831,905
93.944	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$222,193	\$0	\$222,193
93.946	COAL MINERS RESPIRATORY IMPAIRMENT TREATMENT CLINICS AND SERVICES	\$159,063	\$0	\$159,063
93.958		\$323,706	\$2,622,353	\$2,946,059
93.959		\$501,990	\$5,590,283	\$6,092,273
93.965		\$140,982	\$2,066,569	\$2,207,551

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
93.977	SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS	\$521,428	\$0	\$521,428
93.991	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT	\$1,017,564	\$286,346	\$1,303,910
93.994	MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	\$3,940,428	\$1,185,321	\$5,125,749
<u>AGING CLUSTER</u>				
93.044	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART B-GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$87,678	\$2,775,818	\$2,863,496
93.045	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART C-NUTRITION SERVICES	\$350,825	\$6,704,835	\$7,055,660
93.053	NUTRITION SERVICES INCENTIVE PROGRAM	\$0	\$661,064	\$661,064
	<u>TOTAL AGING CLUSTER</u>	\$438,503	\$10,141,717	\$10,580,220
<u>CCDF CLUSTER</u>				
93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT	\$29,496,268	\$12,883,335	\$42,379,603
COVID 93.575	COVID-19 - CHILD CARE AND DEVELOPMENT BLOCK GRANT	\$3,058,057	\$0	\$3,058,057
93.596	CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	\$13,975,177	\$3,178,859	\$17,154,036
	<u>TOTAL CCDF CLUSTER</u>	\$46,529,502	\$16,062,194	\$62,591,696
<u>MEDICAID CLUSTER</u>				
93.775	STATE MEDICAID FRAUD CONTROL UNITS	\$1,139,077	\$0	\$1,139,077
	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$4,633,721	\$0	\$4,633,721
93.777	MEDICAL ASSISTANCE PROGRAM	\$3,418,912,485	\$3,779,918	\$3,422,692,403
ARRA 93.778	ARRA - MEDICAL ASSISTANCE PROGRAM	\$2,682,085	\$0	\$2,682,085
	<u>TOTAL MEDICAID CLUSTER</u>	\$3,427,367,368	\$3,779,918	\$3,431,147,286
93.U01	CLINICAL LABORATORY IMPROVEMENT AMENDMENTS	\$196,484	\$0	\$196,484
93.U02	VITAL STATISTICS COOP PROGRAM	\$210,801	\$0	\$210,801
93.U03	FOOD INSPECTIONS	\$10,666	\$0	\$10,666
93.U04	MAMMOGRAPHY QUALITY ACT	\$40,240	\$0	\$40,240
93.U05	TOBACCO WORKPLAN	\$724,571	\$0	\$724,571
93.U06	FDA TOBACCO ENFORCEMENT	(\$136,536)	\$0	(\$136,536)
93.U07	COLLEGIATE RECOVERY PROGRAM	\$8,601	\$0	\$8,601
	ADVANCING CLINICAL TRIALS IN NEONATAL OPIOID WITHDRAWAL SYNDROME (ACT NOW) DATA COLLECTION STUDY: INFANT EXPOSURE AND TREATMENT	\$30,361	\$0	\$30,361
93.U08		\$2,850	\$0	\$2,850
93.U09	FEDERAL FOOD, DRUG AND COSMETIC ACT	\$2,850	\$0	\$2,850
	<u>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>	\$3,869,622,196	\$113,800,477	\$3,983,422,673
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
94.003	STATE COMMISSIONS	\$206,667	\$0	\$206,667
94.006	AMERICORPS	\$0	\$3,768,184	\$3,768,184
94.009	TRAINING AND TECHNICAL ASSISTANCE	\$142,623	\$0	\$142,623
94.013	VOLUNTEERS IN SERVICE TO AMERICA	\$34,699	\$0	\$34,699
94.021	VOLUNTEER GENERATION FUND	\$74,166	\$79,274	\$153,440
	<u>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>	\$458,155	\$3,847,458	\$4,305,613
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
95.001	HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM (NOTE 3)	\$669,611	\$0	\$669,611
	<u>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT</u>	\$669,611	\$0	\$669,611
<u>SOCIAL SECURITY ADMINISTRATION</u>				
96.001	SOCIAL SECURITY-DISABILITY INSURANCE (DI) AND DISABILITY INSURANCE/SSI CLUSTER	\$16,765,800	\$0	\$16,765,800
96.U01	ENUMERATION AT BIRTH	\$90,084	\$0	\$90,084
	<u>TOTAL SOCIAL SECURITY ADMINISTRATION</u>	\$16,855,884	\$0	\$16,855,884
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
97.012	BOATING SAFETY FINANCIAL ASSISTANCE	\$613,580	\$0	\$613,580
97.023	COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES ELEMENT (CAP-SSSE)	\$115,505	\$1,258	\$116,763
97.036	DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	\$22,429,249	\$7,896,492	\$30,325,741
97.039	HAZARD MITIGATION GRANT	\$346,501	\$10,156,415	\$10,502,916
97.041	NATIONAL DAM SAFETY PROGRAM	\$62,165	\$0	\$62,165
97.042	EMERGENCY MANAGEMENT PERFORMANCE GRANTS	\$2,238,578	\$3,498,239	\$5,736,817
97.044	ASSISTANCE TO FIREFIGHTERS GRANT	\$284,942	\$0	\$284,942

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2020

FEDERAL ASSISTANCE LISTING/ GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
97.045	COOPERATING TECHNICAL PARTNERS	\$1,293,501	\$1,258	\$1,294,759
97.047	PRE-DISASTER MITIGATION	\$8,250	\$0	\$8,250
97.067	HOMELAND SECURITY GRANT PROGRAM	\$611,819	\$2,196,817	\$2,808,636
97.088	DISASTER ASSISTANCE PROJECTS	\$2,495	\$104,952	\$107,447
<u>TOTAL DEPARTMENT OF HOMELAND SECURITY</u>		<u>\$28,006,585</u>	<u>\$23,855,431</u>	<u>\$51,862,016</u>
<u>U.S AGENCY FOR INTERNATIONAL DEVELOPMENT</u>				
98.012	USAID DEVELOPMENT PARTNERSHIPS FOR UNIVERSITY COOPERATION AND DEVELOPMENT	\$7,593	\$0	\$7,593
<u>TOTAL U.S AGENCY FOR INTERNATIONAL DEVELOPMENT</u>		<u>\$7,593</u>	<u>\$0</u>	<u>\$7,593</u>
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>		<u>\$7,356,087,419</u>	<u>\$667,805,167</u>	<u>\$8,023,892,586</u>

* HIGHWAY PLANNING AND CONSTRUCTION CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$429,913,875 TOTAL SUBRECIPIENT EXPENDITURES \$7,203,619 AND TOTAL FEDERAL EXPENDITURES \$437,117,494.

** STUDENT FINANCIAL ASSISTANCE CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$565,231,098 TOTAL SUBRECIPIENT EXPENDITURES \$0 AND TOTAL FEDERAL EXPENDITURES \$565,231,098.

*** RESEARCH AND DEVELOPMENT CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$7,571,867, TOTAL SUBRECIPIENT EXPENDITURES \$3,543,069, AND TOTAL FEDERAL EXPENDITURES \$11,114,936.

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, 2020**

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 Assistance Listing numbers are listed first, then clusters, and then federal contract numbers. The federal program number followed by U** and a two digit number are used if the Assistance Listing number is not available.

The Schedule includes noncash items such as Food Stamps (Assistance Listing number 10.551), State Administrative Expense for Child Nutrition (Assistance Listing number 10.560), and Donation of Federal Surplus Personal Property (Assistance Listing 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 (Assistance Listing number 84.268) that are made directly to individual students.

NOTE 2. INDIRECT COST RATE

Per Uniform Guidance 2 CFR § 200.510(b)(6), auditees are required to disclose whether 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.

NOTE 3. LOANS OUTSTANDING

Loans outstanding as of June 30, 2020, with continuing compliance requirements, are as follows:

<u>Assistance</u>		<u>Ending</u>
<u>Listing</u>	<u>Name of Program</u>	<u>Balance</u>
<u>Number</u>		
	Economic Adjustment Assistance and Economic Development	
11.307	Cluster	\$ 3,609,579
84.038	Federal Perkins Loan (FPL) – Federal Capital Contributions	27,707,303
93.264	Nurse Faculty Loan Program (NFLP)	162,829
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students (HPSL/PCL/LDS)	6,981,523
93.364	Nursing Student Loans (NSL)	<u>651,724</u>
	Total Loans Outstanding	<u>\$ 39,112,958</u>

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4. 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, 2020. 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).

NOTE 5. 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 West Virginia State Police with pass-through entity identifying numbers HDTA19 and HDTA20.

The West Virginia Research Corporation passed funds to the West Virginia School of Osteopathic Medicine for Assistance Listing Number 93.859 with pass-through entity identifying number 12-303-WVSOM-5, and also to Shepherd University for Assistance Listing Number 43.008 with pass-through identifying number 91-175C-SU and for Assistance Listing Number 93.859 with pass-through identifying number 01-054B-SU-9. The West Virginia Research Corporation also passed funds to the West Virginia Geological and Economic Survey for Assistance Listing Number 81.087 with pass-through identifying number 17-463-WVGES

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

and Assistance Listing Number 81.089 with pass-thru identifying number 19-553-WVGES.

The Marshall University Research Corporation passed funds to the West Virginia School of Osteopathic Medicine for Assistance Listing Number 93.859 with pass-through identifying number P1902138. The Marshall University Research Corporation also passed funds to Shepherd University for Assistance Listing Number 93.859 with pass-through identifying number P190064.

The Battelle Research Institute passed funds to the West Virginia Geological and Economic Survey for Assistance Listing Number 81.089 with pass-through identifying number 354860.

NOTE 6. UNEMPLOYMENT INSURANCE PROGRAM (UI) (ASSISTANCE LISTING NUMBER 17.225 AND COVID-19 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.

The following schedule provides a breakdown of the state and federal portions of the total expended under Assistance Listing number 17.225 and COVID-19 17.225:

	<u>Beginning Balance July 1, 2019</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Balance June 30, 2020</u>
State UI Funds	\$ (8,585)	\$ 15,830,453	\$ 15,999,958	\$ (178,090)
Federal UI Funds	<u>(767,176)</u>	<u>1,482,987,347</u>	<u>1,481,834,021</u>	<u>386,150</u>
Total	<u>\$ (775,761)</u>	<u>\$ 1,498,817,800</u>	<u>\$ 1,497,833,979</u>	<u>\$ 208,060</u>

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 7. APPROVED PROJECT WORKSHEETS

The State incurred eligible expenditures in FY 2019 and the Federal Emergency Management Agency (FEMA) approved the State's project worksheets in FY 2020. The State recorded the eligible expenditures of \$895,755 in Assistance Listing 97.036 on this year's SEFA.

NOTE 8. COMPONENT UNITS / PROPRIETARY FUND

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

West Virginia University Research Corporation	<u>\$ 97,354,771</u>
Marshall University Research Corporation	<u>\$ 24,485,483</u>
West Virginia State University Research and Development Corporation	<u>\$ 8,401,851</u>
West Virginia Housing Development Fund	<u>\$ 193,505,206</u>
West Virginia Drinking Water Treatment Revolving Loan Fund	<u>\$ 4,659,952</u>

NOTE 9. COVID-19 PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)

The state of West Virginia received \$1,817,120 of Medications and \$4,957,014 of Donated Personal Protective Equipment from the federal stockpile for the year ended June 30, 2020, which is presented based on the fair value at the time of donation. This footnote has not been audited.



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

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

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, with reference to other auditors
Internal control over financial reporting:				
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No None reported
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	
Noncompliance material to financial statements noted?	_____	Yes	_____ <u>X</u> _____	No

Federal awards:

Internal control over major federal programs:				
Material weakness(es) identified?	_____ <u>X</u> _____	Yes	_____ _____	No None reported
Significant deficiency(ies) identified?	_____ <u>X</u> _____	Yes	_____ _____	
Type of auditors' report issued on compliance for major federal programs:				Unmodified except for Unemployment Insurance; Education Stabilization Fund; Low-Income Home Energy Assistance, Children's Health Insurance Program (CHIP); Medicaid Cluster; Opioid STR; and Disaster Grants – Public Assistance (Presidentially Declared Disasters) which were qualified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ <u>X</u> _____	Yes	_____ _____	No

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

Identification of Major Federal Programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.565/10.568/10.569/COVID-19 10.569	Food Distribution Cluster
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
17.225/COVID-19 17.225	Unemployment Insurance
20.205/20.219/20.224/23.003	Highway Planning and Construction Cluster
COVID-19 21.019	Coronavirus Relief Fund
84.007/84.033/84.038/84.063/84.268/ 84.379/93.264/93.342/93.364/93.925	Student Financial Assistance Cluster
84.367	Supporting Effective Instructions State Grant
COVID-19 84.425E/F/J	Educational Stabilization Fund
93.558	Temporary Assistance for Needy Families (TANF)
93.568	Low-Income Home Energy Assistance
93.575/93.596/COVID-19 93.575	Child Care Development Fund (CCDF) Cluster
93.658	Foster Care – Title IV
93.659	Adoption Assistance
93.767	Children's Health Insurance Program (CHIP)
93.775/93.777/93.778/ARRA 93.778	Medicaid Cluster
93.788	Opioid STR
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and B programs: \$ 24,071,678

Auditee qualified as low-risk auditee? _____ Yes X No

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

Section II. Financial Statement Findings

None Reported

Section III. Federal Award Findings and Questioned Costs

Reference Number	Findings	Questioned Costs
2020-001	Internal Controls over Allowability	N/A
2020-002	Schedule of Expenditures of Federal Awards	Unknown
2020-003	Internal Controls Over Information Technology	N/A
2020-004	Special Tests and Provision – UI Program Integrity - Overpayments	\$65,153 – Assistance Listing #17.225
2020-005	Internal Controls Over Reporting	N/A
2020-006	Internal Controls Over Special Tests and Provisions – Match With IRS 940 FUTA Tax Form	N/A
2020-007	Internal Controls Over Quality Assurance Program	N/A
2020-008	Internal Controls Over Allowability	N/A
2020-009	Subrecipient Monitoring	N/A
2020-010	Internal Controls Over Cash Management	N/A
2020-011	Internal Control Over Financial Reporting	N/A
2020-012	Internal Controls Over Special Tests and Provisions – Verification	N/A
2020-013	Special Tests and Provisions – Disbursements to or on Behalf of Students	\$2,721 – Assistance Listing # - 84.268
2020-014	Special Tests and Provisions – Return of Title IV Funds	24,153 – West Liberty University 4,526 – BlueRidge Community and Technical College
2020-015	Special Tests and Provisions – Enrollment Reporting	N/A
2020-016	Special Tests and Provisions – Borrower Data Transmission and Reconciliation	N/A
2020-017	Special Tests and Provisions – Distance Education	Unknown
2020-018	Special Tests and Provisions – Gramm-Leach-Bliley Act – Student Information Security	N/A
2020-019	Schedule of Expenditures of Federal Awards	N/A
2020-020	Allowability	\$445 – Bluefield State College – Assistance Listing #84.425E Grant Award #P425E200618 \$12,100 Glenville State College – Assistance Listing #84.425E Grant Award #P425E200756
2020-021	Reporting	N/A
2020-022	Allowability – Agency Wide Payroll Costs Included in Cost Allocation Plans	\$29

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

Section III. Federal Award Findings and Questioned Costs

(continued):

Reference Number	Findings	Questioned Costs
2020-023	DHHR Information System and Related Business Process Controls	N/A
2020-024	Allowability and Eligibility – Administrative Service Organization and Title IV-A/IV-F TANF Expenditures	\$2,479 – Assistance Listing #93.558; related to Grant Award 2019 – 2019G996115
2020-025	Internal Controls Over 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
2020-026	Special Tests and Provisions – Income Eligibility and Verification System	Unknown
2020-027	Special Tests and Provisions – Penalty for Refusal to Work	Unknown
2020-028	Special Tests and Provisions – Penalty for Failure to Comply with Work Verification Plan	Unknown
2019-029	Performance Reporting	Unknown
2020-030	Reporting	N/A
2020-031	Allowability and Eligibility	\$231 – Assistance Listing #93.659; \$151 related to Grant Award 1901WVADPT and \$80 related to Grant Award 2001WVADPT
2020-032	Eligibility	\$16,992 Assistance Listing #93.778 Grant Award \$12,602 Assistance Listing #93.767 Grant Award
2020-033	Financial Reporting – Internal Control Over Reporting	N/A
2020-034	Special Tests and Provisions – Utilization Control and Program Integrity	N/A
2020-035	Internal Controls Over Special Tests and Provisions Inpatient Hospital and Long-Term Care Facility Audits	N/A
2020-036	Special Tests and Provisions – Medicaid Fraud Control Unit Internal Controls	N/A
2020-037	Special Tests and Provisions – Medicaid National Correct Coding Initiative (NCCI)	N/A
2020-038	Internal Controls Over Subrecipient Monitoring	N/A
2020-039	Allowability of Expenditures	\$884,712 – Assistance Listing #93.788
2020-040	Subrecipient Monitoring	\$158,024 – Assistance Listing #97.036 related to Grant Award FEMA-4455-DR-WV

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-001 INTERNAL CONTROLS OVER ALLOWABILITY

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Housing and Urban Development Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228
	Grant Award B14DC540001	
	Grant Award B16DL540001 #2	
	Grant Award B15DC540001	
	Grant Award B16DC540001	
	Grant Award B17DC540001	
	Grant Award B18DC540001	
	Grant Award B19DC540001	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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: Non-federal entities receiving federal awards are required to establish and maintain internal control over the federal awards 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 awards. During our testing of internal controls over allowability it was determined that the internal controls regarding the review and approval of invoices is not designed to be sufficiently precise enough to prevent material non-compliance.

Questioned Costs: N/A

Context: Total federal disbursements for the Community Development Block Grant (CDBG) program were \$30,428,422 for the year ended June 30, 2020.

Cause: The internal controls over allowability are not sufficiently precise to prevent material non-compliance.

Effect: Unallowable expenditures may be charged against the federal award.

Recommendation: CDBG management should implement policies and procedures that are sufficiently precise to prevent unallowable charges from being charged to the federal award.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Labor Unemployment Insurance (UI)	17.225 and COVID-19 17.225
	UI-23926-13-55-A-54	
	UI-31491-17-60-A-54	
	UI-32634-19-55-A-54	
	UI-31325-18-55-A-54	
	UI-34093-20-55-A-54	
	UI-34199-20-55-A-54	
	UI-32634-19-55-A-54	
	UI-34749-20-55-A-54	
	UI-27936-15-55-A-54	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

2 CFR 200.508(b) states, “The auditee must prepare appropriate financial statements, including the schedule of expenditures of Federal awards.” The Federal Office of Management and Budget issues instructions on how to prepare this schedule.

Condition: Workforce West Virginia’s (WWV’s) internal controls are not adequate to ensure that the Schedule of Expenditures Federal Awards (SEFA) accurately reports all federal assistance. WWV did not include all bank accounts when reconciling disbursements to the SEFA and the 2112 report.

Questioned Costs: Unknown

Context: Total federal disbursements for the Unemployment Insurance (UI) program were \$1,497,833,979 for the year ended June 30, 2020. The differences noted between the disbursements reported in the support for the 2112 report and the SEFA were approximately \$2.6 million.

Cause: While progressing the balance in the account, management did not utilize the correct beginning balances to progress the account and determine the expenditure amounts. The internal controls over the SEFA reporting processes were not adequately enforced to ensure the SEFA is accurate.

Effect: WWV is not properly reporting their federal expenditures and type A programs may not be appropriately identified on a timely basis.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(continued)**

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

View of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–003 INTERNAL CONTROLS OVER INFORMATION TECHNOLOGY

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Labor Unemployment Insurance (UI)	17.225 and COVID-19 17.225
	UI-23926-13-55-A-54	
	UI-31491-17-60-A-54	
	UI-32634-19-55-A-54	
	UI-31325-18-55-A-54	
	UI-34093-20-55-A-54	
	UI-34199-20-55-A-54	
	UI-32634-19-55-A-54	
	UI-34749-20-55-A-54	
	UI-27936-15-55-A-54	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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: Workforce West Virginia’s (WWV’s) does not have procedures in place to document its review of the Geographic Solutions, Inc. (GSI) SOC reports, additionally, complementary user entity controls are not in place at WWV. WWV utilizes GSI in the determination of eligibility and payment of claims under the Pandemic Unemployment Assistance (PUA) Program. Further, WWV does not perform periodic documented review of administrator access changes to the Automated Benefit Payment System (ABPS) or the Unemployment Compensation Tax applications.

Questioned Costs: N/A

Context: Total federal disbursements for the Unemployment Insurance (UI) program were \$1,497,833,979 for the year ended June 30, 2020.

Cause: The internal controls over the information technology processes were not adequately designed or implemented.

Effect: Unauthorized access to critical information systems may occur and not be detected or resolved in a timely manner causing WWV to be in noncompliance.

Recommendation: WWV should implement policies and procedures that include monitoring the information systems and systems controls reports.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-004 SPECIAL TESTS AND PROVISION – UI PROGRAM INTEGRITY - OVERPAYMENTS

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Labor Unemployment Insurance (UI)	17.225 and COVID-19 17.225
	UI-23926-13-55-A-54	
	UI-31491-17-60-A-54	
	UI-32634-19-55-A-54	
	UI-31325-18-55-A-54	
	UI-34093-20-55-A-54	
	UI-34199-20-55-A-54	
	UI-32634-19-55-A-54	
	UI-34749-20-55-A-54	
	UI-27936-15-55-A-54	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

2 CFR 200.508(d) says 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.”

Pub. L. No. 112-40 states that States are (1) required to impose a monetary penalty (not less than 15 percent) on claimants whose fraudulent acts resulted in overpayments, and (2) States are prohibited from providing relief from charges to an employer’s UI account when overpayments are the result of the employer’s failure to respond timely or adequately to a request for information. States may continue to waive recovery of overpayments in certain situations and must continue to offer the individual a fair hearing prior to recovery.

Condition: During fiscal year 2020, the Workforce West Virginia (WWV) overpaid unemployment claims out of funds from the Unemployment Program and the Pandemic Unemployment Assistance Program (PUA). PUA is federal funding provided through the CARES Act to pay unemployment claims for self-employment individuals and independent contractors.

Questioned Costs: \$65,153 – Assistance Listing #17.225

Context: Total federal disbursements for the Unemployment Insurance (UI) program were \$1,497,833,979 for the year ended June 30, 2020. For three of the 60 regular UI overpayments, WWV could not provide documentation of the review and approval of the overpayment case file. For one of those three overpayments, no documentation was provided by WWV and for two of the cases, management did not complete documentation to determine the type of overpayment. The three cases represent \$4,300 of the total overpayments of \$99,058. Further, for 15 of the 15 PUA overpayment selected for testing, WWV did not provide documentation of review and approval of the overpayment case file to demonstrate internal controls were in place nor did they document the basis for the overpayment. The 15 cases represent \$60,853 of total PUA overpayments of \$375,650.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-004 SPECIAL TESTS AND PROVISION – UI PROGRAM INTEGRITY - OVERPAYMENTS
(continued)**

Cause: For regular UI overpayments, established policies and procedures were not followed. WWV followed the protocol outlined in the PUA Program Questions and Answers Guidance from the Department of Labor for disbursement of unemployment benefits from PUA funds when wage information is not available. In accordance with this guidance, an individual can receive the minimum weekly benefit amount if WWV does not have existing wage records for the individual and evidence to support a higher benefit amount is not provided. While WWF followed the PUA Program Questions and Answers Guidance in order to expedite funds to claimants impacted the by the COVID-19 Pandemic, WWV’s normal control procedures requiring proof of income levels prior to payment of a claim were not followed for these minimum weekly benefit payments resulting in an overpayment of claims.

Effect: Unemployment claims were overpaid by WWV with UI funds and PUA funds.

Recommendation: We recommend that management work with the federal agency to determine a resolution to this issue since WWF followed the published guidance.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-005 INTERNAL CONTROLS OVER REPORTING

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Labor Unemployment Insurance (UI)	17.225 and COVID-19 17.225
	UI-23926-13-55-A-54	
	UI-31491-17-60-A-54	
	UI-32634-19-55-A-54	
	UI-31325-18-55-A-54	
	UI-34093-20-55-A-54	
	UI-34199-20-55-A-54	
	UI-32634-19-55-A-54	
	UI-34749-20-55-A-54	
	UI-27936-15-55-A-54	

Criteria: 2 CFR 200.303 requires that the non-federal entity 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).”

Per 29 CFR section 97.20, “Accurate, current, and complete disclosures of the financial results of financially-assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. Grantees and sub grantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities.”

Condition: During our testing of 4 ETA 2112 reports submitted, we noted that during the compliance year, management resubmitted two of the reports due to Workforce West Virginia (WWV) not initially including all cash balances on the report. Further the two Trade Act Participation Reports (TAPR) selected for testing, did not have documentation of a review prior to submission.

Questioned Costs: N/A

Context: Total federal disbursements for the Unemployment Insurance (UI) program were \$1,497,833,979 for the year ended June 30, 2020. WWV originally report benefit payments of \$1,875,026,190 and subsequently adjusted the report to \$1,881,571,494.

Cause: The internal controls over the individual reporting processes were not adequately enforced.

Effect: Reports could be filed with errors or lack of supporting documentation and not be identified by management.

Recommendation: We recommend that WWV implement internal controls over the report submission process, to ensure each report is reviewed by appropriate individuals familiar with the reporting requirements to ensure that accurate information is reported.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-005 INTERNAL CONTROLS OVER REPORTING
(continued)**

Views of Responsible Officials:	Management concurs with the finding and has developed a plan to correct the finding.
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**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-006 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS – MATCH WITH IRS
940 FUTA TAX FORM
(Repeat of Prior Year Finding 2019-009)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Labor Unemployment Insurance (UI)	17.225 and COVID-19 17.225
	Grant Award UI-23926-13-55-A-54	
	Grant Award UI-31491-17-60-A-54	
	Grant Award UI-32634-19-55-A-54	
	Grant Award UI-31325-18-55-A-54	
	Grant Award UI-34093-20-55-A-54	
	Grant Award UI-34199-20-55-A-54	
	Grant Award UI-32634-19-55-A-54	
	Grant Award UI-34749-20-55-A-54	
	Grant Award UI-27936-15-55-A-54	

Criteria: 2 CFR 200.303 requires that the non-federal entity 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: Two of the eight verification requests received from the IRS tested were not properly reviewed and approved in accordance with Workforce West Virginia’s policies and procedures.

Questioned Costs: N/A

Context: Total federal disbursements for the Unemployment Insurance (UI) program were \$1,497,833,979 for the year ended June 30, 2020. The two requests which were not reviewed and approved totaled \$672,408 out of \$7,609,100 selected for testing.

Cause: The internal controls over the IRS 940 FUTA Tax Form matching process were not operating effectively.

Effect: Workforce West Virginia (WWV) did not follow their policies and procedures for documenting the control process for the IRS 940 FUTA Tax Form matching requirements.

Recommendation: We recommend that management of WWV enforce existing policies and procedures involving internal control over the IRS 940 FUTA Tax Form matching process.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-007 INTERNAL CONTROLS OVER QUALITY ASSURANCE PROGRAM

Federal Program Information:	Federal Agency and Program Name U.S. Department of Transportation Highways Planning and Construction Cluster	Assistance Listing # 20.205/20.219/ 20.224/23.003
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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 one of the forty quality assurance samples selected for testing at the West Virginia Division of Highways (the Division), the sample was not appropriately reviewed and approved.

Questioned Costs: N/A

Context: Total federal expenditures for the Highways Planning and Construction Cluster program was \$437,117,494 for the year ended June 30, 2020.

Cause: The Division does not have adequate internal controls and policies and procedures in place to ensure that quality assurance samples are appropriately reviewed and approved.

Effect: Verification samples may not be conducted in accordance with the quality assurance program, which would not be detected without an appropriate review and approval process.

Recommendation: We recommend that the Division strengthen internal controls and policies and procedures over the quality assurance program. We recommend that the review of verification samples be performed by an individual independent of the testing process and evidence of such review be maintained.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-008 INTERNAL CONTROLS OVER ALLOWABILITY

Federal Program Information:	Federal Agency and Program Name U.S. Department of Transportation Highways Planning and Construction Cluster	Assistance Listing # 20.205/20.219/ 20.224/23.003
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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 two of the forty Form DOT-12LE’s (the form) selected for testing internal controls over payroll at the West Virginia Division of Highways (the Division), the form was prepared and reviewed by the same person. For one of the forty Form DOT-12LE’s selected for testing, the employee reviewing the form was also included in time reported on the form that was being reviewed.

Questioned Costs: N/A

Context: Total federal expenditures for the Highways Planning and Construction Cluster program was \$437,117,494 for the year ended June 30, 2020.

Cause: The Division does not have adequate internal controls and policies and procedures in place to ensure all payroll transactions are reviewed and approved.

Effect: The Division may not identify noncompliance with federal statutes, regulations, and terms of the conditions of the federal award including allowability. Expenditures may be paid that are not allowable.

Recommendation: We recommend that the Division implement internal controls and policies and procedures to ensure that expenditures are properly reviewed and approved before being charged to a federal award.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-009 SUBRECIPIENT MONITORING

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Treasury Coronavirus Relief Fund	COVID-19 21.019

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

2 CFR 200.332 states, “All pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

(1) Federal award identification.

- (i) Subrecipient name (which must match the name associated with its unique entity identifier); (ii) Subrecipient's unique entity identifier; (iii) Federal Award Identification Number (FAIN); (iv) Federal Award Date (see the definition of Federal award date in §200.1 of this part) of award to the recipient by the Federal agency; (v) Subaward Period of Performance Start and End Date; (vi) Subaward Budget Period Start and End Date; (vii) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient; (viii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation; (ix) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity; (x) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA); (xi) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity; (xii) Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement; (xiii) Identification of whether the award is R&D; and (xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged) per §200.414.

(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;

(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020-009 SUBRECIPIENT MONITORING
(continued)

(4) (i) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either: (A) The negotiated indirect cost rate between the pass-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so; (B) The de minimis indirect cost rate.

(ii) The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with §200.405(d).

(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and

(6) Appropriate terms and conditions concerning closeout of the subaward.

(b) 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 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).

Condition:

During our testing of the subrecipient monitoring compliance requirement, we identified five instances in our total sample of five subrecipients where the State of West Virginia did not clearly identify to subrecipients at the time of the subaward (or subsequent subaward modification) all of the required elements of 2 CFR 200.332. Though the State communicated many of the required items through various aspects of the program in place (e.g., application and related instructions, FAQs, and presentations for potential subrecipients), it did not formalize that information in an official subaward document and ensure each subrecipient received documented modifications as additional information became available through the evolving guidance issued by the Department of Treasury.

Further, it was noted that the State of West Virginia determined at a programmatic level to only disburse funds on a reimbursement basis as if all subrecipients were high risk to ensure as much as possible that funds were used to cover only eligible expenses, however, no formal risk assessment was documented for the subrecipients.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-009 SUBRECIPIENT MONITORING
(continued)**

Questioned Costs: N/A

Context: Total federal disbursements for the Coronavirus Relief program were \$71,899,033 for the year ended June 30, 2020. Total subrecipient expenditures for the year ended June 30, 2020 for the Coronavirus Relief Program were \$14,899,033.

Cause: The Coronavirus Relief Fund program did not issue final guidance for the program until after payments were already distributed to subrecipients. The State of West Virginia did not have adequate policies and procedures in place to ensure that all required pass-through elements were included in the subaward at the time it was made or in subsequent subaward modifications if data elements changed.

Effect: Subrecipients may not be aware of all the required terms and conditions, such as audit requirements under 2 CFR 200 Subchapter F.

Recommendation: We recommend that the State of West Virginia update policies and procedures to ensure that all required elements are communicated to subrecipients at the time subawards are made or in subsequent subaward modifications if data elements change. Further, the State of West Virginia should ensure that risk assessments related to subrecipients are formally documented.

View of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–010 INTERNAL CONTROLS OVER CASH MANAGEMENT

Federal Program Information:	Federal Agency and Program Name 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	Assistance Listing # 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 a non-federal entity 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 three of the five drawdowns selected for testing for West Liberty University (WLU), the drawdowns were reviewed after they had already occurred and therefore the review control is not designed effectively. Further, for Pierpont Community and Technical College (PCTC) and Concord University during our testing of internal controls, we noted that there was no evidence of review of the drawdowns prior to the funds being requested from the U.S Department of Education.	
Questioned Costs:	N/A	
Context:	Total expenditures for the SFA cluster were \$565,231,098 for the year ended June 30, 2020. The total expenditures for West Liberty University, Pierpont Community and Technical College and Concord University were \$19,601,934, \$7,088,386 and \$14,699,728, respectively for the year ended June 30, 2020.	
Cause:	Internal controls and policies and procedures related to the cash management were not effectively designed.	
Effect:	The institution could draw down the incorrect amount of federal student financial aid.	
Recommendation:	We recommend that the institutions implement more effective internal controls and policies.	
Views of Responsible Officials:	Management concurs with the finding and has developed a plan to correct the finding.	

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–011 INTERNAL CONTROL OVER FINANCIAL REPORTING
(Repeat of Prior Year Finding 2019-015)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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: West Virginia University – Parkersburg (WVU-P), Pierpont Community and Technical College (PCTC), Fairmont State University (FSU), Bluefield State College (BSC) and New River Community and Technical College (NRCTC) are responsible to ensure payment data sent to the U.S. Department of Education through the Common Origination (COD) System is complete, accurate, and prepared in accordance with the required instructions. WVU-P, PCTC, FSU, and NRCTC did not retain adequate documentation of the policies and procedures in place to ensure the data reported is complete, accurate, and prepared in accordance with the required instructions.

Questioned Costs: N/A

Context: Total Student Financial Assistance Cluster expenditures for WVU-P, PCTC, FSU, BSC and NRCTC were \$9,241,892, \$7,088,386, \$23,078,065, \$8,071,371 and \$4,250,799 respectively, for the year ended June 30, 2020. The total expenditures for the Student Financial Assistance Cluster for the year ended June 30, 2020 were \$565,231,098.

Cause: WVU-P, PCTC, and NRCTC do not retain adequate documentation of the policies and procedures in place to review the Pell payment data sent to the Department of Education.

Effect: The Federal Department of Education could receive incorrect Pell payment data.

Recommendation: We recommend that WVU-P, PCTC, and NRCTC implement more effective policies and procedures surrounding the review and approval of the Pell payment data prior to submission.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–012 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS – VERIFICATION
(Repeat of Prior Year Finding 2019-016)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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: West Virginia University – Parkersburg (WVUP) did not have adequate internal controls in place surrounding the verification process. During our testing we noted for the samples selected that there was no documentation that a review was performed over the verification files.

Questioned Cost: N/A

Context: Total Student Financial Assistance Cluster expenditures for WVU-P were \$9,241,892, for the year ended June 30, 2020. The total expenditures for the Student Financial Assistance Cluster for the year ended June 30, 2020 were \$565,231,098.

Cause: The institution did not have adequate internal controls in place to ensure that verification changes identified during the process were processed and submitted to the U.S. Department of Education.

Effect: Students receiving federal aid could receive the incorrect amount of federal student financial assistance.

Recommendation: Management should develop internal controls to ensure that changes identified during the verification process are submitted to the U.S. Department of Education.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–013 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS

(Repeat of Prior Year Finding 2019-017 and 2018–011)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

34 CFR 668.165(a)(2), requires that, “Except in the case of a post-withdrawal disbursement made in accordance with § 668.22(a)(5), if an institution credits a student ledger account with Direct Loan, Federal Perkins Loan, or TEACH Grant program funds, the institution must notify the student or parent of— (i) The anticipated date and amount of the disbursement; (ii) The student’s or parent’s right to cancel all or a portion of that loan, loan disbursement, TEACH Grant, or TEACH Grant disbursement and have the loan proceeds or TEACH Grant proceeds returned to the Secretary; and (iii) The procedures and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, loan disbursement, TEACH Grant, or TEACH Grant disbursement. (3) The institution must provide the notice described in paragraph (a)(2) of this section in writing.”

Condition: For one disbursement notification selected for testing at Bluefield State College, the institutions did not provide all required notifications before disbursements were made. The total sample selected for testing was 60.

Questioned Costs: \$2,721 – Assistance Listing # – 84.268

Context: Total expenditures for the SFA cluster were \$565,231,098 for the year ended June 30, 2020. The total SFA Cluster expenditures for Bluefield State College were \$8,071,371 for the year ended June 30, 2020.

Cause: Internal controls and policies and procedures related to the institutions’ disbursement notifications did not encompass all of the required elements.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2019–013 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS

(Repeat of Prior Year Finding 2019-017 and 2018–011) (continued)

Effect: Institutions were not in compliance with the requirements related to disbursement notification. Policies and procedures related to the institutions’ disbursement notifications did not encompass all of the required elements.

Recommendation: We recommend that the institutions implement more effective internal controls and policies and procedures to ensure that all required information is part of the disbursement notifications sent to students and that supporting documentation for disbursement notifications is maintained and archived to allow for evidence of the institution’s compliance with federal guidelines.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–014 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS
(Repeat of Prior Year Finding 2019–018)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

34 CFR section 668.173(b) requires timely return of title IV, HEA program funds. 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) The institution initiates an electronic funds transfer (EFT) no later than 45 days after the date it determines that the student withdrew; (3) The institution initiates an electronic transaction, no later than 45 days after the date it determines that the student withdrew, that informs a FFEL lender to adjust the borrower’s loan account for the amount returned; or (4) The institution issues a check no later than 45 days after the date it determines that the student withdrew. An institution does not satisfy this requirement if - (i) The institution’s records show that the check was issued more than 45 days after the date the institution determined that the student withdrew; or (ii) The date on the cancelled check shows that the bank used by the Secretary or FFEL Program lender endorsed that check more than 60 days after the date the institution determined that the student withdrew.

Condition: For three of the 12 Return of Title IV calculations selected for testing at BlueRidge Community and Technical College exceptions were identified. For one Return of Title IV calculation the incorrect amount was returned and for the second exception, no funds were returned. For the third Return of Title IV exception, an incorrect withdrawal date was used. This withdrawal was related to COVID-19 pandemic, and based upon flexibilities offered by the federal agency, no funds were required to be returned.

For three of the seven Return of Title IV calculations selected for testing internal controls at West Liberty University an incorrect semester end date was used and for one of the seven Return of Title IV calculations, an incorrect withdrawal date was used. For two Return of Title IV calculations selected for testing for compliance, the incorrect semester end date was used. These exceptions resulted in, the calculation not being correct and the incorrect amount was returned.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–014 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS
(Repeat of Prior Year Finding 2019–018) (continued)**

Further, Bluefield State College, New River Community and Technical College, Pierpont Community and Technical College and Fairmont State University did not have adequate internal controls in place surrounding the Return of Title IV funds.

Questioned Costs: \$24,153 – West Liberty University
\$4,526 – BlueRidge Community and Technical College

Context: Total Student Financial Assistance Cluster expenditures for the year ended June 30, 2020 were \$565,231,098. The total Student Financial Assistance Cluster expenditures for the year end June 30, 2020, for BlueRidge Community and Technical College, West Liberty University, Bluefield State College, New River Community and Technical College, Pierpont Community and Technical College and Fairmont State University were \$7,082,870, \$19,601,934, \$8,071,371, \$4,250,799, \$7,088,386 and \$23,078,065, respectively. The total amount of refunds tested for controls and compliance of Return of Title IV calculations for BlueRidge Community and Technical College and West Liberty University were \$15,929 and \$24,153, respectively.

Cause: The institutions do not have adequate internal controls in place to prevent non-compliance.

Effect: The institutions are not returning the correct amount of federal student financial assistance required or the funds are not returned within the required time frame.

Recommendation: Management should implement internal controls to ensure that the correct amount of federal student financial assistance is returned and returned within the required time frame.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–015 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING

(Repeat of Prior Year Findings 2019–019, 2018–012, 2017–006, 2016–008, 2015–015, 2014–011,
2013–028, 2012–43, 2012–47, 2012–49, 2011–22)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

34 CFR section 685.309(b) requires that institutions must “(1) Upon receipt of an enrollment report from the Secretary, a school must update all information included in the report and return the report to the Secretary - (i) In the manner and format prescribed by the Secretary; and (ii) Within the timeframe prescribed by the Secretary. (2) Unless it expects to submit its next updated enrollment report to the Secretary within the next 60 days, a school must notify the Secretary within 30 days after the date the school discovers that - (i) A loan under title IV of the Act was made to or on behalf of a student who was enrolled or accepted for enrollment at the school, and the student has ceased to be enrolled on at least a half-time basis or failed to enroll on at least a half-time basis for the period for which the loan was intended; or (ii) A student who is enrolled at the school and who received a loan under title IV of the Act has changed his or her permanent address.

Condition: For one student selected from New River Community and Technical College and one student selected from West Liberty University in our compliance sample of 60 students who withdrew, graduated, or enrolled but never attended, New River Community and Technical College did not promptly notify the appropriate entities of a change in the student’s status in a timely and accurate manner and West Liberty University did not properly update the program enrollment effective date as required. Further the following institutions did not have adequate internal controls in place surrounding the enrollment reporting process for the selections made: Bluefield State College, Pierpont Community and Technical College, West Virginia State University, Mountwest Community and Technical College, Concord University, Fairmont State University, West Virginia University-Parkersburg, and West Virginia University.

Questioned Costs: N/A

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–015 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING

(Repeat of Prior Year Findings 2019–019, 2018–012, 2017–006, 2016–008, 2015–015, 2014–011, 2013–028, 2012–43, 2012–47, 2012–49, 2011–22) (continued)

- Context:** Total Direct Loan and Pell expenditures for the SFA cluster in total were \$512,302,992, for the year ended June 30, 2020. Total Direct Loan and Pell expenditures for New River Community and Technical College, Bluefield State College, Pierpont Community and Technical College, West Virginia State University, Mountwest Community and Technical College, Concord University, Fairmont State University, West Virginia University – Parkersburg, West Virginia University and West Liberty University were \$4,148,514, \$7,840,414, \$6,944,183, \$14,426,874, \$5,553,704, \$12,104,361, \$22,807,532, \$9,068,283, \$214,403,740 and \$17,680,152, respectively.
- Cause:** The institutions did not have adequate internal controls in place surrounding the enrollment reporting process.
- Effect:** The institutions are not promptly notifying the NSLDS of changes in student status in an accurate manner; thus, inaccurate information is reported to the NSLDS.
- Recommendation:** Management should develop an effective corrective action plan to address this matter in a timely manner. As institutions are responsible for timely reporting whether they report directly or via a third-party servicer, we recommend that the institutions implement a review process to ensure they are promptly notifying the U.S. Department of Education and NSLDS of changes in a student’s status in a timely and accurate manner.
- Views of Responsible Officials:** Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–016 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION

(Repeat of Prior Year Findings 2019–020 2018–013, 2017–007, 2016–006)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

34 CFR 685.300(a)(5) states “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.”

Condition: For the two months selected for testing of Direct Loan School Account Statement (SAS) reconciliation requirements at Bluefield State College and West Virginia University – Parkersburg (WVUP), proper reconciliations were not completed by the institutions.

Questioned Costs: N/A

Context: Total Direct Loan expenditures for the SFA cluster in total were \$408,341,981 for the year ended June 30, 2020. The total Direct Loan expenditures for Bluefield State College were \$4,606,418 and for WVUP were \$4,757,373, for the year ended June 30, 2020.

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.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–016 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION

(Repeat of Prior Year Findings 2019–020, 2018–013, 2017–007, 2016–006) (continued)

Recommendation: We recommend that management implement a 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.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–017 SPECIAL TESTS AND PROVISIONS – DISTANCE EDUCATION

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

34 CFR section 668.22 requires that “when a recipient of a 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.”

Condition: For seven students in distance education programs selected for testing at Bluefield State College, one student at New River Community and Technical College, and one student at Pierpont Community and Technical College, the withdrawal date in Banner did not match the withdrawal form or return of title IV calculation forms. Therefore, the amount of title IV grant or loan assistance that the student earned as of the student’s withdrawal date could not be determined.

Further, Bluefield State College, New River Community and Technical College, and Pierpont Community and Technical College did not have adequate internal controls in place surrounding the distance education attendance requirement.

Questioned Costs: Unknown

Context: Total Student Financial Assistance Cluster expenditures for the year ended June 30, 2020 were \$565,231,098. The total Student Financial Assistance Cluster expenditures for the year end June 30, 2020, for Bluefield State College, New River Community and Technical College, and Pierpont Community and Technical College were \$8,071,371, \$4,250,799, and \$7,088,386, respectively.

Cause: The institutions do not have adequate internal controls in place to prevent noncompliance.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–017 SPECIAL TESTS AND PROVISIONS – DISTANCE EDUCATIONS
(continued)

Effect: The institutions incorrectly recalculated refunds due to the U.S. Department of Education.

Recommendation: The institutions should implement adequate policies and procedures to ensure distance education requirements are followed and refunds are appropriately calculated.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–018 SPECIAL TESTS AND PROVISIONS – GRAMM-LEACH-BLILEY ACT – STUDENT INFORMATION SECURITY
(Repeat of Prior Year Finding 2019–022)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	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 a non-federal entity 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).

16 CFR 314.4 (b) requires institutions to “Identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of customer information that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such information, and assess the sufficiency of any safeguards in place to control these risks. At a minimum, such a risk assessment should include consideration of risks in each relevant area of your operations, including: (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures.

16 CFR 314.4(c) requires institutions to “Design and implement information safeguards to control the risks you identify through risk assessment, and regularly test or otherwise monitor the effectiveness of the safeguards’ key controls, systems, and procedures.”

Condition: The following institutions did not perform a risk assessment that addresses the three required areas as noted in 16 CFR 314.4(b), which are 1) employee training and management; (2) information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) detecting, preventing and responding to attacks, intrusions, or other systems failures: West Virginia University, West Virginia State University, West Virginia University – Parkersburg, Pierpont Community and Technical College, Fairmont State University, and New River Community and Technical College. Further, since risk assessments were not completed, the institutions did not document safeguards as required by 16 CFR 314.4(c).

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–018 SPECIAL TESTS AND PROVISIONS – GRAMM-LEACH-BLILEY ACT – STUDENT
INFORMATION SECURITY**

(Repeat of Prior Year Finding 2019–022) (continued)

Further, Shepherd University, performed the required risk assessment in January 2020; West Virginia Northern Community and Technical College performed the required risk assessment in February 2020; Marshall University performed the required assessment in April 2020, Bluefield State College, West Virginia School of Osteopathic Medicine, and Concord University performed the required risk assessment in May 2020; and West Liberty University performed the required risk assessment in June 2020. Further, each of these schools documented safeguards for the risks identified.

Further, the institutions identified above do not have internal controls in place around requirements listed in 16 CFR 314.4(b) and (c).

Questioned Costs:	N/A
Context:	Total expenditures for the SFA cluster in total were \$565,231,098 for the year ended June 30, 2020.
Cause:	Institutions do not have policies and procedures, including internal controls, addressing the requirements of 16 CFR 314.4(b) and (c).
Effect:	The absence of policies and procedures could result in the loss or improper storage of student account information.
Recommendation:	We recommend that management implement policy and procedures, including internal controls, to ensure that they are in compliance with 16 CFR 314.4(b) and (c).
Views of Responsible Officials:	Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Program Information:	Federal Agency and Program Name U.S. Department of Education HEERF Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act Higher Education Emergency Relief Fund	Assistance Listing # COVID -19 84.425E/84.425F/ 84.425J
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

2 CFR 200.508(b) states, “The auditee must prepare appropriate financial statements, including the schedule of expenditures of Federal awards.” The Federal Office of Management and Budget issues instructions on how to prepare this schedule.

Condition: The West Virginia State University’s (WVSU) internal controls are not adequate to ensure that the Schedule of Expenditures of Federal Awards (SEFA) accurately reports all federal assistance. WVSU did not originally report the student portion of the Higher Education Emergency Relief Funds on the SEFA.

Questioned Costs: N/A

Context: Total federal expenditures for Higher Education Emergency Relief Fund (HEERF) were \$40,661,062. Total federal expenditures were originally understated by \$833,196.

Cause: The institutions do not have adequate internal controls in place to ensure the SEFA is accurate.

Effect: WVSU is not properly reporting their federal expenditures and type A programs may not be appropriately identified on a timely basis.

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

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–020 ALLOWABILITY

Federal Program Information:	Federal Agency and Program Name U.S. Department of Education HEERF Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act Higher Education Emergency Relief Fund	Assistance Listing # COVID-19 84.425E/84.425F/ 84.425J
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document issued October 14, 2020 question 19 states, “Institutions may provide emergency financial aid grants to students using checks, electronic transfer payments, debit cards, and payment apps that adhere to the Department’s requirements for paying credit balances to students. The disbursement of the emergency financial aid grant to the student must remain unencumbered by the institution; debts, charges, fees, or other amounts owed to the institution may not be deducted from the emergency financial aid grant. The emergency financial aid grant may not be made to students through the use of a credit card that can be used only on campus or in a retail outlet affiliated with the institution.”

Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document issued October 14, 2020 question 20 states, “At institutions that provide both online and ground-based education, those students who were enrolled exclusively in an online program on March 13, 2020, the date of the President’s Proclamation, “Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak,” Federal Register Vol. 85, No. 53 at 15337- 38, are not eligible for emergency financial aid grants. The formula provided by Congress for calculating the distribution of funds to institutions excludes students who were exclusively enrolled in distance education courses. Additionally, the emergency financial aid grants to students are for expenses related to the disruption of campus operations due to coronavirus, and students who were enrolled exclusively in online programs would not have expenses related to the disruption of campus operations due to coronavirus.”

Condition: During our testing of allowability at Bluefield State College, one student tested out of a sample of 40 was awarded an emergency aid grant and was enrolled exclusively in an online program on March 13, 2020 and thus was ineligible to receive the grant. During our testing of allowability at Glenville State College, eleven of the 40 students selected for testing were not paid directly for the emergency aid grant, but instead the grant offset an outstanding balance.

Further, Fairmont State University and Glenville State College did not have adequate internal controls in place surrounding the institutional portion disbursements.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–2020 ALLOWABILITY
(continued)

Questioned Costs: \$445 – Bluefield State College – Assistance Listing #84.425E Grant Award #P425E200618
\$12,100 Glenville State College – Assistance Listing #84.425E Grant Award #P425E200756

Context: Total HEERF expenditures for Bluefield State College, Glenville State College, and Fairmont State University were \$463,525, \$1,510,709, and \$1,520,867, respectively, for the year ended June 30, 2020. The total expenditures for the HEERF program for the year ended June 30, 2020 were \$40,661,062. The one payment at Bluefield State College represents \$445 of a total tested of \$14,000. The twelve payments at Glenville State College represents \$12,100 of a total tested of \$37,100.

Cause: The institutions do not have adequate internal controls in place to prevent non-compliance with the required regulations.

Effect: The institutions are not in compliance with federal statutes, regulations, and terms of the conditions of the federal award. Without sufficient internal controls in place, expenditures may be paid that are not allowable.

Recommendation: We recommend that the institutions enhance their policies and procedures to ensure they are in compliance with all federal statutes, regulations, and terms and conditions of the federal award. We recommend that the institutions also implement controls to ensure that expenditures are properly reviewed and approved before being charged to a federal award.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–2021 REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Education HEERF Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act Higher Education Emergency Relief Fund	Assistance Listing # COVID-19 84.425E/84.425F/ 84.425J
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

Federal Register Volume 85, No. 169 states that the following must appear in a format and location that is easily accessible to the public...”(1) An acknowledgement that the institution signed and returned to the Department the Certification and Agreement and the assurance that the institution has used, or intends to use, no less than 50 percent of the funds received under Section 18004(a)(1) of the CARES Act to provide Emergency Financial Aid Grants to Students. (2) The total amount of funds that the institution will receive or has received from the Department pursuant to the institution’s Certification and Agreement for Emergency Financial Aid Grants to Students. (3) The total amount of Emergency Financial Aid Grants distributed to students under Section 18004(a)(1) of the CARES Act as of the date of submission (i.e., as of the initial report and every calendar quarter thereafter). (4) The estimated total number of students at the institution eligible to participate in programs under Section 484 in Title IV of the Higher Education Act of 1965 and thus eligible to receive Emergency Financial Aid Grants to Students under Section 18004(a)(1) of the CARES Act. (5) The total number of students who have received an Emergency Financial Aid Grant to students under Section 18004(a)(1) of the CARES Act. (6) The method(s) used by the institution to determine which students receive Emergency Financial Aid Grants and how much they would receive under Section 18004(a)(1) of the CARES Act. (7) Any instructions, directions, or guidance provided by the institution to students concerning the Emergency Financial Aid Grants.”

Condition: New River Community and Technical College and Pierpont Community and Technical College were unable to provide supporting documentation that agreed to certain key line items presented on the *Section 18004(a)(1) Student Aid Portion Quarterly Public Reporting (CFDA 84.425E)* reports. Additionally, certain key line items were excluded from the reports.

Further, Fairmont State University and Mountwest Community and Technical College did not have adequate internal controls in place surrounding the review of the *Section 18004(a)(1) Student Aid Portion Quarterly Public Reporting (CFDA 84.425E)* reports.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–021 REPORTING
(continued)

Questioned Costs: N/A

Context: Total HEERF expenditures for New River Community and Technical College, Pierpont Community and Technical College, Mountwest Community and Technical College, and Fairmont State University were \$423,519, \$355,953, \$557,232 and \$1,520,867, respectively, for the year ended June 30, 2020. The total expenditures for the HEERF program for the year ended June 30, 2020 were \$40,661,062.

Cause: The institutions do not have adequate internal controls in place to ensure that complete and accurate information posted to the institutions website as required by the regulations.

Effect: The institutions are not properly reporting the required information on the *Section 18004(a)(1) Student Aid Portion Quarterly Public Reporting (CFDA 84.425E)* reports.

Recommendation: We recommend that the institutions enhance policies and procedures surrounding the preparing, updating, and reviewing of the *Section 18004(a)(1) Student Aid Portion Quarterly Public Reporting (CFDA 84.425E)* reports prior to posting to their website.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–022 ALLOWABILITY – AGENCY WIDE PAYROLL COSTS INCLUDED IN COST ALLOCATION PLANS

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF)	93.558
	Grant Award 2019G996115	
	Grant Award 2020G996115	
	Low-Income Home Energy Assistance	93.568
	Grant Award G-18B1WVLIEA	
	Grant Award G-1901WVLIEA	
	Grant Award G-2001WVLIEA	
	Grant Award G-2001WVLIE4	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596/ COVID-19 93.575
	Grant Award G1901WVCCDF	
	Grant Award G2001WVCCDF	
	Foster Care—Title IV-E	93.658
	Grant Award 1901WVFOST	
	Grant Award 2001WVFOST	
	Adoption Assistance	93.659
	Grant Award 1901WVADPT	
	Grant Award 2001WVADPT	
	Children’s Health Insurance Program (CHIP)	93.767
	Grant Award 1805WV5021	
	Grant Award 1905WV5021	
	Grant Award 2005WV5021	
	Medicaid Cluster	93.775/93.777/ 93.778 & ARRA-93.778
	Grant Award 1905WV5MAP	
	Grant Award 1905WV5ADM	
	Grant Award 1905WVIMPL	
	Grant Award 1905WVINCT	
	Grant Award 2005WV5MAP	
	Grant Award 2005WV5ADM	
	Grant Award 2005WVIMPL	
	Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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, 2020**

**2020–022 ALLOWABILITY – AGENCY WIDE PAYROLL COSTS INCLUDED IN COST ALLOCATION PLANS
(continued)**

Individual state government departments or agencies are responsible for the performance or administration of federal awards. In order to receive cost reimbursement under federal awards, the department or agency typically submits claims asserting that allowable and eligible costs have been incurred in accordance with 2 CFR part 200, subpart E. This includes ensuring that costs funded by the Federal award did not consist of improper payments, such as payments that should not have been made or were made in incorrect amounts under statutory, contractual, administrative, or other legally applicable requirements.

Condition: For three of the 40 payroll disbursements selected for testing of payroll costs included in the West Virginia Department of Health and Human Resources (DHHR) payroll cost allocations, the timecard incorrectly added a 30-minute lunch to the employee’s timecard. The employee was then paid for the additional time.

Questioned Costs: \$29

Context: The three instances represent \$29 of payroll disbursements out of total payroll disbursements tested of \$44,667. Total payroll disbursements included in the cost allocations for DHHR for the fiscal year ended June 30, 2020, were \$140,735,796.

Cause: Policies and procedures exist to detect and correct these timecard errors; however, there are insufficient internal controls in place to ensure the proper review of the timecards and correction of any errors detected.

Effect: Overpayments were made to employees. This could result in unallowable costs being charged to Federal programs.

Recommendation: We recommend that DHHR management enforce and strengthen existing policies and procedures to ensure all payroll related costs are accurately charged to the federal programs.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–023 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Repeat of Prior Year Findings 2019–027, 2018–017, 2017–002, 2016–017, 2015–025, 2014–016,
2013–034, 2012–51, 2011–46, 2010–43, 2009–43, 2008–55)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF)	93.558
	Grant Award 2019G996115	
	Grant Award 2020G996115	
	Low-Income Home Energy Assistance	93.568
	Grant Award G-18B1WVLIEA	
	Grant Award G-1901WVLIEA	
	Grant Award G-2001WVLIEA	
	Grant Award G-2001WVLIE4	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596/ COVID-19 93.575
	Grant Award G1901WVCCDF	
	Grant Award G2001WVCCDF	
	Foster Care—Title IV-E	93.658
	Grant Award 1901WVFOST	
	Grant Award 2001WVFOST	
	Adoption Assistance	93.659
	Grant Award 1901WVADPT	
	Grant Award 2001WVADPT	
	Children’s Health Insurance Program (CHIP)	93.767
	Grant Award 1805WV5021	
	Grant Award 1905WV5021	
	Grant Award 2005WV5021	
	Medicaid Cluster	93.775/93.777/ 93.778 & ARRA-93.778
	Grant Award 1905WV5MAP	
	Grant Award 1905WV5ADM	
	Grant Award 1905WVIMPL	
	Grant Award 1905WVINCT	
	Grant Award 2005WV5MAP	
	Grant Award 2005WV5ADM	
	Grant Award 2005WVIMPL	
	Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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, 2020**

**2020–023 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Repeat of Prior Year Findings 2019–027, 2018–017, 2017–002, 2016–017, 2015–025, 2014–016,
2013–034, 2012–51, 2011–46, 2010–43, 2009–43, 2008–55) (continued)**

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.

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 federal programs and compliance requirements impacted.

Federal Program	System	Compliance Requirements Impacted
Children’s Health Insurance Program (CHIP)	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility; Level of Effort
Temporary Assistance for Needy Families (TANF)	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Low-Income Home Energy Assistance	RAPIDS	Eligibility
Medicaid Cluster	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Adoption Assistance	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Foster Care – Title IVE	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Special Tests and Provisions – Operation of a Foster Care Demonstration Project, Special Tests and Provisions – Payment Rate Setting and Application
Child Care 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 determinations. Furthermore, management indicated that a lack of personnel resources contributes to the improper segregation of duties issue.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–023 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Repeat of Prior Year Findings 2019–02, 2018–017, 2017–002, 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46, 2010–43, 2009–43, 2008–55) (continued)**

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.

Recommendation: 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: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–024 ALLOWABILITY AND ELIGIBILITY – ADMINISTRATIVE SERVICE ORGANIZATION AND
TITLE IV-A/IV-F TANF EXPENDITURES**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF)	93.558
	Grant Award 2019 – 2019G996115	
	Grant Award 2020 – 2020G996115	

Criteria: Funds may be used for expenditures for activities that are not permissible under 42 USC 601, but for which the state was authorized to use Title IV-A or IV-F funds under prior law. The previously authorized activities must have been included in a state’s approved state AFDC plan, JOBS plan, or Supportive Services plan, as in effect on September 30, 1995, or at the state’s option, on August 21, 1996. Examples of such activities are authorized juvenile justice and foster care activities (42 USC 604(a)(2); 45 CFR section 263.11(a)(2)).

45 CFR section 263.2(b) states “(b) With the exception of paragraph (a)(4)(ii) of this section, the benefits or services listed under paragraph (a) of this section count only if they have been provided to or on behalf of eligible families. An “eligible family” as defined by the State, must: (1) Be comprised of citizens or non-citizens who: (i) Are eligible for TANF assistance; (ii) Would be eligible for TANF assistance, but for the time limit on the receipt of federally funded assistance; or (iii) Are lawfully present in the United States and would be eligible for assistance, but for the application of title IV of PRWORA; (2) Include a child living with a custodial parent or other adult caretaker relative (or consist of a pregnant individual); and (3) Be financially eligible according to the appropriate income and resource (when applicable) standards established by the State and contained in its TANF plan.

Condition: During testing of allowability and eligibility of TANF expenditures for socially necessary services we noted the following: for 2 of the 60 payments tested for allowability and eligibility, totaling \$2,479, an invoice was provided to support the charge to the federal program, however the rates charged were not supported.

Questioned Costs: \$2,479 – Assistance Listing #93.558; related to Grant Award 2019 – 2019G996115

Context: The total socially necessary service payments tested for allowability and eligibility were \$181,440. The total expenditures for the TANF program for socially necessary services for the fiscal year ended June 30, 2020, were \$28,247,819. Total federal expenditures for TANF for the fiscal year ended June 30, 2020, were \$80,602,537.

Cause: Management indicated that the errors were due to caseworker oversight and insufficient processes in place to support payments made to recipients with federal funds.

Effect: Payments were not properly supported with appropriate documentation.

Recommendation: We recommend that DHHR evaluate the effectiveness of the current training programs for the TANF 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.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–025 INTERNAL CONTROLS OVER 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
(Repeat of Prior Year Findings 2019–025, 2018–019, 2017–010, 2016–016, 2015–024, 2014–018,
2013–036, 2012–56, 2011–44, 2010–41)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF)	93.558
	Grant Award 2019 – 2019G996115	
	Grant Award 2020 – 2020G996115	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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 West Virginia Department of Health & Human Resources (DHHR) has policies and procedures in place surrounding the issuance and removal of sanctions; however, DHHR could not provide adequate documentation that the control was operating effectively. In testing of good cause letters, out of 60 cases selected for testing, there were four instances where inadequate, or no, documentation was provided supporting the good cause. In the caseworker training testing, there were 7 instances of noncompliance out of a total of 50 items selected for testing. Four of the seven instances were related to the employee not participating in the appropriate training required to assess sanctions. There was one instance where the employee completed training two months after hire date, one that should have not been included in the population as the employee no longer had authorization to assess sanctions, and one instance where adequate support was not provided to complete testing. In testing of 3rd level sanction controls, out of 42 cases selected for testing, there were 7 instances where there was not sufficient documentation of approval of the sanction.

Questioned Costs: N/A

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2020, were \$80,602,537.

Cause: Internal controls are not operating effectively 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.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–026 SPECIAL TESTS AND PROVISIONS – INCOME ELIGIBILITY AND VERIFICATION SYSTEM

(Federal Program Information: Federal Agency and Program Name	Assistance Listing #
U.S. Department of Health and Human Services	
Temporary Assistance for Needy Families (TANF)	93.558
Grant Award 2019 – 2019G996115	
Grant Award 2020 – 2020G996115	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

Each state shall participate in the Income Eligibility and Verification System (IEVS) required by Section 1137 of the Social Security Act as amended. Under the state plan the state is required to coordinate data exchanges with other federally assisted benefit programs, request and use income and benefit information when making eligibility determinations and adhere to standardized formats and procedures in exchanging information with other programs and agencies. Specifically, the state is required to request and obtain information as follows (42 USC 1320b-7; 45CFR section 205.55). (a) Wage information from the state Wage Information Collection Agency (SWICA) should be obtained for all applicants at the first opportunity following receipt of the application, and for all recipients on a quarterly basis. (b) Unemployment Compensation (UC) information should be obtained for all applicants at the first opportunity, and in each of the first three months in which the individual is receiving aid. This information should also be obtained in each of the first three months following any recipient-reported loss of employment. If an individual is found to be receiving UC, the information should be requested until benefits are exhausted. (c) All available information from the Social Security Administration (SSA) for all applicants at the first opportunity. (d) Information from the U.S. Citizenship and Immigration Services and any other information from other agencies in the state or in other states that might provide income or other useful information. (e) Unearned income from the Internal Revenue Service (IRS).

Condition: During testing of 40 TANF cases subject to IEVS, we noted the following:

For twenty-five of the 40 cases selected for testing, there were no matches indicating whether the case was receiving WVWorks benefits. The auditor was unable to determine if these cases should have been subject to a data match under TANF.

For five of the 40 cases selected for testing, the appropriate caseworker action was not completed.

For all of the cases selected, adequate documentation of review of the data exchanges, and system matches, and review of actions taken by the caseworker when required was not provided. In addition, the auditor could not determine if specific action items were completed relating to individual exchange types.

Questioned Costs: Unknown

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–026 SPECIAL TESTS AND PROVISIONS – INCOME ELIGIBILITY AND VERIFICATION SYSTEM
(continued)

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2020, were \$80,602,537.

Cause: There are insufficient internal controls in place surrounding the generation and review of populations provided to the auditor, the Income Eligibility and Verification System matches, and the caseworker actions required within RAPIDS. Also, insufficient documentation surrounding matches made between the information systems and actions taken after a match is made.

Effect: The State of WV may not be coordinating data exchanges with other federally assisted benefit programs as required by the state plan.

Recommendation: We recommend that management implement policies and procedures to ensure that information in RAPIDS and populations are complete and accurate. In addition, we also recommend DHHR evaluate their control over the caseworker action requirement within RAPIDS on matches related to the Income Eligibility and Verification System.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–027 SPECIAL TESTS AND PROVISIONS – PENALTY FOR REFUSAL TO WORK
(Repeat of Prior Year Finding 2019–026)**

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF)	Assistance Listing # 93.558
	Grant Award 2019 – 2019G996115 Grant Award 2020 – 2020G996115	

Criteria: The State agency must maintain adequate documentation, verification, and internal control procedures to ensure the accuracy of the data used in calculating work participation rates. In so doing, it must have in place procedures to (a) determine whether its work activities may count for participation rate purposes; (b) determine how to count and verify reported hours of work; (c) identify who is a work-eligible individual; and (d) control internal data transmission and accuracy. Each State agency must comply with its HHS-approved Work Verification Plan in effect for the period that is audited. HHS may penalize the State by an amount not less than one percent and not more than five percent of the SFAG for violation of this provision (42 USC 601, 602, 607, and 609); 45 CFR sections 261.60, 261.61, 261.62, 261.63, 261.64, and 261.65).

If an individual in a family receiving assistance refuses to engage in required work, a State must reduce assistance to the family, at least pro rata, with respect to any period during the month in which the individual so refuses or may terminate assistance. Any reduction or termination is subject to good cause or other exceptions as the State may establish (42 USC 607(e)(1); 45 CFR sections 261.13 and 261.14(a) and (b)). However, a State may not reduce or terminate assistance based on a refusal to work if the individual is a single custodial parent caring for a child who is less than 6 years of age if the individual can demonstrate the inability (as determined by the State) to obtain child care for one or more of the following reasons: (a) the unavailability of appropriate care within a reasonable distance of the individual’s work or home; (b) unavailability or unsuitability of informal child care; or (c) unavailability of appropriate and affordable formal child care (42 USC 607(e)(2); 45 CFR sections 261.15(a), 261.56, and 261.57).

Condition: During testing of the following exceptions were identified:

For five of the 60 cases selected for testing, the individuals should not have been included in the overall population of individuals not participating in their assigned activity. The clients appeared to have been participating in their assigned activity or were enrolled in school.

For one of the 60 cases selected for testing, the client did not have appropriate documentation in the case file to show if the individual was engaged in an activity and if the benefit was appropriate.

Questioned Costs: Unknown

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2020, were \$80,602,537.

Cause: There are insufficient internal controls in place surrounding the generation and review of the population of individuals not participating in an assigned activity provided to the auditor, and caseworker data entry into RAPIDS.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–027 SPECIAL TESTS AND PROVISIONS – PENALTY FOR REFUSAL TO WORK
(Repeat of Prior Year Finding 2019–026) (continued)**

Effect: The State of WV may not be reducing or terminating the assistance grant of those individuals who refuse to engage in work and are not subject to good cause or other exceptions established by the State.

Recommendation: We recommend that management implement policies and procedures to ensure that information in RAPIDS and populations are complete and accurate. In addition, we also recommend DHHR evaluate the effectiveness of the current training programs for the TANF program to ensure adequate technical training is provided.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–028 SPECIAL TESTS AND PROVISIONS – PENALTY FOR FAILURE TO COMPLY WITH WORK VERIFICATION PLAN

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF)	
	Grant Award 2019 – 2019G996115	93.558
	Grant Award 2020 – 2020G996115	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

The state agency must maintain adequate documentation, verification, and internal control procedures to ensure the accuracy of the data used in calculating work participation rates. In so doing, it must have in place procedures to (a) determine whether its work activities may count for participation rate purposes; (b) determine how to count and verify reported hours of work; (c) identify who is a work-eligible individual; and (d) control internal data transmission and accuracy. Each state agency must comply with its HHS-approved Work Verification Plan in effect for the period that is audited. HHS may penalize the state by an amount not less than one percent and not more than five percent of the SFAG for violation of this provision (42 USC 601, 602, 607, and 609); 45 CFR sections 261.60, 261.61, 261.62, 261.63, 261.64, and 261.65).

If an individual in a family receiving assistance refuses to engage in required work, a State must reduce assistance to the family, at least pro rata, with respect to any period during the month in which the individual so refuses or may terminate assistance. Any reduction or termination is subject to good cause or other exceptions as the State may establish (42 USC 607(e)(1); 45 CFR sections 261.13 and 261.14(a) and (b)). However, a State may not reduce or terminate assistance based on a refusal to work if the individual is a single custodial parent caring for a child who is less than 6 years of age if the individual can demonstrate the inability (as determined by the State) to obtain child care for one or more of the following reasons: (a) the unavailability of appropriate care within a reasonable distance of the individual’s work or home; (b) unavailability or unsuitability of informal child care; or (c) unavailability of appropriate and affordable formal child care (42 USC 607(e)(2); 45 CFR sections 261.15(a), 261.56, and 261.57).

Condition: One of the 40 individuals selected supporting documentation did not support the hours utilized in the compliance calculation for the penalty for failure to comply with work verification requirements. and the auditor was unable to determine if the data was correct in respect to the Work Participation rate and Work Verification Plan.

Questioned Costs: Unknown

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2020, were \$80,602,537.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–028 SPECIAL TESTS AND PROVISIONS – PENALTY FOR FAILURE TO COMPLY WITH WORK VERIFICATION PLAN
(continued)

Cause: There was insufficient documentation supporting the participation hours entered into RAPIDS and reported to HHS.

Effect: The State of WV is not in compliance with its Work Verification Plan, including adequate documentation, verification, and internal control procedures.

Recommendation: We recommend that management implement policies and procedures to ensure that information in RAPIDS is complete and accurate. In addition, we also recommend DHHR evaluate the effectiveness of the current training programs for the TANF program to ensure adequate technical training is provided.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–029 PERFORMANCE REPORTING

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Low-Income Home Energy Assistance	93.568
	Grant Award G-18B1WVLIEA	
	Grant Award G-1901WVLIEA	
	Grant Award G-2001WVLIEA	

Criteria: 2 CFR 200.303 requires that the non-federal entity 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).”

The *LIHEAP Performance Data Form (OMB No 0970-0449)* is an annual report that must be submitted by January 31st regarding the prior federal fiscal year. The first section of the report is the Grantee Survey that covers sources and allocation of funding. The rest of the report is regarding performance metrics, mostly related to home energy burden targeting and reduction, as well as the continuity of home energy service. This report is in response to Section 2610(b) of the LIHEAP statute (42 U.S.C. § 8629(b)) which requires the Secretary of the U.S. Department of Health and Human Services (HHS) to submit, no later than June 30 of each federal fiscal year, a Report to Congress on LIHEAP for the prior federal fiscal year. The completeness, accuracy, consistency, and timeliness of responses to data collections are needed for HHS to do the following:

- Provide reliable and complete fiscal and household data to Congress in the Department’s LIHEAP Report to Congress; and
- Respond to questions from the Congress, Department, OMB, White House, and other interested parties in a timely manner; and report LIHEAP performance results as part of the Administration’s annual Congressional Justification.

Condition: The management of DHHR was unable to provide supporting documentation that agreed to certain amounts presented on the LIHEAP Performance Data Form (OMB No. 0970-0449) to the auditors. Specifically, in section V. Energy Burden Targeting, DHHR was unable to provide the breakdown between specific fuel sources. Further, the amounts reported in Section V. Part B, were calculated based upon a household report that did not agree to the unduplicated number of households reported in Section V. Part A.

Questioned Costs: Unknown

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–029 PERFORMANCE REPORTING
(continued)**

Context: Total federal disbursements for the LIHEAP program were \$34,349,956 for the year ended June 30, 2020. Specifically, DHHR could not support the following in Section V. of the performance data form:

	All House Holds	Electricity	Natural Gas	Fuel Oil	Propane	Other Fuels
A. Unduplicated Number of LIHEAP Payment - Assisted Household	48,786	29,663	10,589	1,550	2,698	4,286
B. All Household with 12 Consecutive Months of Bill Data (Main Fuel and Electric)						
1. Unduplicated Number of Household with 12 Consecutive Months of Bill Data	0	0	0	0	0	0
2. Average Annual Household Income	\$1,037	\$1,025	\$1,088	\$1,059	\$1,030	\$949
3. Average Annual Total LIHEPA Benefit per Household	\$319	\$347	\$267	\$285	\$276	\$278
4. Average Annual Main Heating Fuel Bill	\$1,165	\$1,364	\$842	\$1,042	\$976	\$836
5. Average Annual Electricity Bill	\$1,285	\$0	\$946	\$1,104	\$1,001	\$998
C. High Burden Household with 12 Consecutive Months of Bill Data						
1. Unduplicated Number of High Burden Household (Top 25%) with 12 Consecutive Months of Bill Data	0	0	0	0	0	0
2. Average Annual Household Income for High Burden Households	\$890	\$922	\$858	\$853	\$848	\$754
3. Average Annual Total LIHEPA Benefit per Household per High Burden Households	\$312	\$336	\$264	\$271	\$266	\$266
4. Average Annual Main Heating Fuel Bill for High Burden Households	\$2,098	\$2,249	\$1,888	\$1,762	\$1,674	\$1,594
5. Average Annual Electricity Bill for High Burden Households	\$1,974	0	\$1,628	\$1,345	\$1,244	\$1,268

Cause: A lack of oversight and adequate review of the supporting documentation utilized in the preparation of the LIHEAP Performance Data Form (OMB No. 0970-0449).

Effect: The LIHEAP program is not in compliance with the specified federal requirements for the LIHEAP Performance Data Form (OMB No. 0970-0449).

Recommendation: We recommend that DHHR ensure that all documentation supporting reports or compliance requirements subject to audit be reviewed and reconciled to the underlying supporting documentation and associated reports to ensure the amounts reported are accurate prior to submission.

Views of Responsible Officials: Management concurs with the findings and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–030 REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Foster Care – Title IV-E Grant Award 1901WVFOST Grant Award 2001WVFOST	Assistance Listing # 93.658
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Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

Per 29 CFR section 97.20, “Accurate, current, and complete disclosures of the financial results of financially-assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. Grantees and sub grantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities.”

Condition: During the testing of key line item “*Part 1, Expenditures, Estimates and Caseload Data*, columns (A) through (D) (Sections A and E (Foster Care Program))” of the March 31, 2020 CB-496, Title IV-E Programs Quarterly Financial Report for Foster Care, there was an error in reporting the total number of children in placement. DHHR reported a total of 6,708 children in placement, but supporting documentation showed 6,979 children in placement. The total number of children reported on this form reflected prior year numbers and were not updated for the current quarter.

Questioned Costs: N/A

Context: Total federal expenditures for the Foster Care were \$64,028,654 for the year ended June 30, 2020.

Cause: DHHR appears to have policies and procedures in place to prepare, update, and review the Form CB-496 prior to submission; however, it has failed to actively enforce those policies and procedures.

Effect: The total number of children in placement reported to the federal government for the quarter ending March 31, 2020 was overstated.

Recommendation: We recommend that DHHR should enhance policies and procedures surrounding the preparing, updating, and reviewing Form CB-496 prior to submission.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–031 ALLOWABILITY AND ELIGIBILITY

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Adoption Assistance Grant Award 1901WVADPT Grant Award 2001WVADPT	Assistance Listing # 93.659
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Criteria: 2 CFR 200.303 requires that the DHHR 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).

45 CFR 1356.41(f)(1) states that “funds expended by the Title IV-E agency under an adoption assistance agreement, with respect to nonrecurring adoption expenses incurred by or on behalf of parents who adopt a child with special needs, shall be considered an administrative expenditures of the Title IV-E Adoption Assistance Program.”

Condition: Three of the 60 cases tested for allowability were coded as nonrecurring adoption expenditures, but they were not cases involving the adoption of a child. Two of the 60 cases tested included payments for Child Protective Services court-ordered drug screens and were not associated with allowable adoption payments for eligible individuals. The total payment amount associated with these cases were \$80. One of the 60 cases selected for testing pertained to guardianship of a child rather than an adoption case. The total payment amount associated with this case was \$151.

Questioned Costs: \$231 – Assistance Listing #93.659; \$151 related to Grant Award 1901WVADPT and \$80 related to Grant Award 2001WVADPT

Context: The three instances represent \$231 of adoption payments out of a total population of benefit payments tested for allowability of \$39,695. Total federal expenditures for the Adoption Assistance program were \$54,434,652 for the year ended June 30, 2020.

Cause: Management indicated that the errors in coding the expenditures were oversights by the payment request worker and supervisor.

Effect: Ineligible, unallowable claims were paid using federal funds.

Recommendation: We recommend that DHHR review the current staffing and training programs to ensure sufficient staff levels are maintained and adequate technical training is provided.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–032 ELIGIBILITY

(Repeat of Prior Year Finding 2019–034)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Medicaid Cluster	93.775/93.777/ 93.778 & ARRA - 93.778
	Grant Award 1905WVINCT Grant Award 1905WV5MAP Grant Award 1905WV5ADM Grant Award 1905WVIMPL Grant Award 2005WV5MAP Grant Award 2005WV5ADM Grant Award 2005WVIMPL Grant Award 2005WVINCT	
	Children’s Health Insurance Program (CHIP)	93.767
	Grant Award 1805WV5021 Grant Award 1905WV5021 Grant Award 2005WV5021	

Criteria: 42 CFR 435.914 states “(a) The agency must include in each applicant's case record facts to support the agency's decision on his application. (b) The agency must dispose of each application by a finding of eligibility or ineligibility, unless—(1) There is an entry in the case record that the applicant voluntarily withdrew the application, and that the agency sent a notice confirming his decision; (2) There is a supporting entry in the case record that the applicant has died; or (3) There is a supporting entry in the case record that the applicant cannot be located.”

42 CFR 457.965 states “The State must include in each applicant's record facts to support the State's determination of the applicant's eligibility for CHIP.”

42 CFR 435.945(j) and 457.380(j) require states to develop and submit to the Centers for Medicaid and Medicare Services (upon request) a plan describing the Medicaid and CHIP eligibility verification policies and procedures adopted by the State. The State of West Virginia Modified Adjusted Gross Income (MAGI)-Based Eligibility Verification Plan for Medicaid & CHIP requires the following eligibility factors to be verified: income, residency, age, social security number, citizenship, immigration status, household composition, pregnancy, caretaker relative, Medicare, application for other benefits, and other insurance coverage. These are either required to be verified through electronic data sources or through self-attestation without additional verification or self-attestation with post -eligibility verification. Electronic data sources include: the Internal Revenue Service, Social Security Administration, State Wage Information Collection Agency, State Unemployment Compensation, State Administered Supplementary Payment Program, State General Assistance Programs, Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Family, Bureau for Child Support Enforcement, State Income Tax, TALX, Work Force West Virginia and Families and Children Tracking System Income. State verification plans does not provide specific details. The most recently submitted plan for the State is posted on Medicaid.gov.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020-032 ELIGIBILITY

(Repeat of Prior Year Finding 2019-034) (continued)

Condition: The Medicaid program and the CHIP program are required (as described at 42 CFR 435.914) to maintain facts in the case file to support the eligibility determination. During our testing of 60 cases for eligibility for the Medicaid program, we noted five instances where the social security number, age, date of birth, and immigration status were not verified in the Data Exchange system as required by the State's Medicaid eligibility verification plan; and one instances where documentation of income verification to the electronic data source required by the State's Medicaid eligibility verification plan was not maintained in the file.

During our testing of 60 cases for eligibility for CHIP, we noted 20 instances where documentation of income verification to the electronic data source required by the State's MAGI-based CHIP eligibility verification plan was not maintained in the file. We also noted seven instances where the social security number, age, date of birth, and immigration status were not verified in the Data Exchange system as required by the State's MAGI-based CHIP eligibility verification plan; and six instances where income was not verified.

Questioned Costs: \$16,992 Assistance Listing #93.778
\$12,602 Assistance Listing #93.767

Context: The 6 cases in Medicaid represent \$16,992 of Medicaid payments out of a population of benefit payments tested for eligibility of \$182,420. The 27 cases in CHIP represent \$12,602 of CHIP payments out of a population of benefit payments tested for eligibility of \$32,879. The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286. The federal expenditures for the Children's Health Insurance Program for the fiscal year ended June 30, 2020, were \$73,990,124.

Cause: Management indicated that the information was verified in accordance with the Medicaid and CHIP verification plan or State plan, but no documentation was kept in the file of the verification.

Effect: Payments were made for ineligible recipients.

Recommendation: Management should develop an effective corrective action plan to address this matter in a timely manner. We recommend that DHHR evaluate the policies and procedures and add a requirement to maintain documentation of the verification of information with the federal data hub.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–033 FINANCIAL REPORTING – INTERNAL CONTROL OVER REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Medicaid Cluster Grant Award 1905WVINCT Grant Award 1905WV5MAP Grant Award 1905WV5ADM Grant Award 1905WVIMPL Grant Award 2005WV5MAP Grant Award 2005WV5ADM Grant Award 2005WVIMPL Grant Award 2005WVINCT	Assistance Listing # 93.775/93.777/ 93.778 & ARRA - 93.778
Criteria:	2 CFR 200.303 requires that a non-federal entity 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:	Non-federal entities receiving federal awards are required to establish and maintain internal control over the federal awards 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 awards. Management of the West Virginia State Attorney General’s Office (AGO) prepared and submitted the SF-425, <i>Federal Financial Reports</i> , for the Medicaid Control Fraud Unit without having written policies and procedures in place to govern and formally document the review and approval process prior to the submission of the report.	
Questioned Costs:	N/A	
Context:	The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286. Total expenditures for the State Medicaid Fraud Control Unit, Assistance Listing number 93.775, was \$1,139,077 for the year ended June 30, 2020.	
Cause:	AGO did not have written policies and procedures in place over the reporting process for the <i>Federal Financial Reports</i> .	
Effect:	The AGO’s use of unwritten policies and procedures to govern the review process for reporting increased the risk that AGO could submit incomplete or inaccurate data to the federal agency.	
Recommendation:	We recommend that AGO implement enhanced controls over the report submission process, including 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.	
Views of Responsible Officials:	Management concurs with the finding and has developed a plan to correct the finding.	

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–034 SPECIAL TESTS AND PROVISIONS – UTILIZATION CONTROL AND PROGRAM INTEGRITY

(Repeat of Prior Year Finding 2019–032)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Medicaid Cluster	93.775/93.777/ 93.778 & ARRA - 93.778
	Grant Award 1905WVINCT	
	Grant Award 1905WV5MAP	
	Grant Award 1905WV5ADM	
	Grant Award 1905WVIMPL	
	Grant Award 2005WV5MAP	
	Grant Award 2005WV5ADM	
	Grant Award 2005WVIMPL	
	Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires a non-federal entity 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).

The state plan must have methods and procedures to safeguard against unnecessary utilization of care and services. In addition, the state must have (1) methods of determining criteria for identifying suspected fraud cases; (2) methods for investigating these cases; and (3) procedures, developed in cooperation with legal authorities, for referring suspected fraud cases to law enforcement officials (42 CFR parts 455, 456, and 1002). Suspected fraud must be referred to the state MFCUs (42 CFR part 455.21).

The SMA must establish and use written criteria for evaluating the appropriateness and quality of Medicaid services. The agency must have procedures for the ongoing post-payment review, on a sample basis, of the need for, and the quality and timeliness of, Medicaid services. The SMA may conduct this review directly or contract with an independent entity (42 CFR sections 456.5, 456.22, and 456.23). The SMA must ensure that each managed care organization with which it contracts is evaluated annually on quality, timeliness, and access to the health care services by an external quality review organization (EQRO). The state must ensure that the EQRO conducting such reviews is competent and independent (42 CFR 438, Subpart E).

Condition: Non-federal entities receiving federal awards are required to establish and maintain internal control over the federal awards 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 awards. During our testing of internal controls over the special tests and provisions – utilization control and program integrity, specifically the cases closed within the Office of Program Integrity (OPI), the following items were noted:

- 3 cases had no documentation of review
- 1 case was opened in error and no case closure checklist/form was completed. According to BMS OPI Procedure #107: Case Closure 3.12 “Cancelled Cases – In some instances cases numbers are opened in i-Sight that will not result in an actual

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–034 SPECIAL TESTS AND PROVISIONS – UTILIZATION CONTROL AND PROGRAM INTEGRITY

(Repeat of Prior Year Finding 2019–032) (continued)

case review. These cases may be opened for testing, cases opened in error, etc. These cases are cancelled rather than closed. However, a “Case Closure Checklist/Form” must still be used. To Cancel a case in i-Sight, staff must: a) Complete the applicable sections on the “Case Closure Checklist/Form” as follows: i. the case number, ii. “Provider Info” section, if applicable, iii. Under “Intake and Case Management” in the “Family Case” file click on the “Cancel” button. Enter the reason for cancelling the case using the dropdown box and describe the cancellation reason in the “Comments” box. b) The reviewer and management will sign and date the “Case Closure Checklist/Form: as any other case closure.”

- 16 cases had documentation of review, however the review was not completed timely. The 16 cases had closure dates from January 6, 2020 through June 8, 2020, with 15 of the cases not being reviewed until October 26, 2020 and one case not being reviewed until January 26, 2021.

Of the 60 closed case files tested, 4 had compliance exceptions as they did not effectuate payment in in the required time frame after notice of overpayment. According to State Medicaid Policy 800.12.1 Recovery of Overpayments “When a provider is notified of an overpayment by BMS, the provider must enter into a written repayment arrangement within 30 days of such notification. The provider may select one of the follow optional arrangements: Payments to BMS within 60 days after BMS notifies the provider of the overpayment; or placement of a lien by BMS against further payments for Medicaid reimbursements so that recovery is effectuated within 60 days after notification of the overpayment; or a recovery schedule of up to a 12 month period, through monthly payments or placement of a lien against future payments. If the provider selects the monthly restitution option, BMS will charge interest on the overpayment balance after 60 days following notification of the overpayment. The interest rate on overpayments will be the higher of the rate as set by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing on the date of demand for payment or by the current value of funds rate. These rates are published quarterly in the Federal Register by the Secretary of the Treasury, subject to quarterly revisions. Each monthly payment must include at least 1/12 of the remaining balance of the overpayment, plus applicable interest (i.e., there can be no "back ending" under the recovery schedule). In the event that the provider fails to submit a written repayment arrangement within thirty days, a lien may be imposed on all future Medicaid payments, effective thirty days after notification of the overpayment. Interest will accrue on any remaining balances commencing thirty days after the date of notification. The lien will remain in effect until the overpayment is recovered with interest. If the provider does not comply in full with the repayment arrangement within 1 year of notification of the overpayment, the provider is subject to all of the sanctions set forth in §870 of the Medicaid regulations. BMS reserves the right to waive or extend the recovery provisions set forth above in extraordinary circumstances in order to prevent undue hardship. Undue hardship requests must be accompanied by 5 years of financial statements for review by BMS, prior to the decision to waive or extend the recovery provision. If the provider seeks a document/desk review of an overpayment decision, the repayment and interest provisions set forth above will begin 5 days after the date of the document/desk review decision or 60 days after the date of notification, whichever is later. If the provider continues an appeal through an evidentiary hearing, any monetary findings in their favor will result in a refund to the provider’s account after notification of the evidentiary hearing conclusion. If there is further appeal, a refund will be made at the conclusion of the appeal process.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–034 SPECIAL TESTS AND PROVISIONS – UTILIZATION CONTROL AND PROGRAM INTEGRITY

(Repeat of Prior Year Finding 2019–032) (continued)

The first case file’s final report was issued March 27, 2019. Payment was due from the provider on May 27, 2019. Payment was not remitted. A lien was to be placed against further payments to effectuate recovery within 60 days of overpayment notification. A lien was placed by the Bureau of Medical Services (BMS) on June 24, 2019, with recovery made on August 27, 2019. The second case file’s final report was issued February 12, 2019. A West Virginia Medicaid Standard Repayment Form was completed by the provider and returned to Medicaid on March 11, 2019 noting payment would be made in 60 days from the date of notification. Payment was due on April 12, 2019, but was not remitted. A lien was to be placed against further payments to effectuate recovery within 60 days of overpayment notification. A lien was placed by BMS on June 24, 2019, with recovery made on August 27, 2019. The third case file’s final report was issued on September 18, 2018. Payment was due from the provider on November 18, 2018. Payment was not remitted. A lien was to be placed against further payments to effectuate recovery within 60 days of overpayment notification. A lien was placed by the Bureau of Medical Services (BMS) on March 6, 2019, with recovery made on August 27, 2019. The fourth case file was a self-report form where the provider selected placement of a lien by BMS against further payments to effectuate recovery within 60 days of notification. The form was recorded May 31, 2019. A lien was requested on May 31, 2019 and again on November 7, 2019. Recovery was made January 31, 2020.

Questioned Costs: N/A

Context: The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286. The total population subject to testing was 494 closed cases with the Office of Program Integrity (OPI).

Cause: Management indicated that the while the documentation of management’s review of all closed cases is part of OPI’s policies and procedures, it is a new policy and OPI is working to implement it. Further, management’s policy does not require reviews to be performed in a specified time frame.

Effect: Cases may be closed without verification by management that all required elements of closed cases are present.

Recommendation: Management should develop an effective corrective action plan to address this matter in a timely manner. We recommend that Office of Program Integrity establish policies and procedures to ensure that case files are reviewed timely upon closure by a member of management separate from the caseworker and that the review is documented. The Office of Program Integrity’s control policy for case closures should also define a reasonable time period for review of closes cases.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–035 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS INPATIENT HOSPITAL
AND LONG-TERM CARE FACILITY AUDITS**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Medicaid Cluster	93.775/93.777/ 93.778 & ARRA - 93.778
	Grant Award 1905WVINCT Grant Award 1905WV5MAP Grant Award 1905WV5ADM Grant Award 1905WVIMPL Grant Award 2005WV5MAP Grant Award 2005WV5ADM Grant Award 2005WVIMPL Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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: Non-federal entities receiving federal awards are required to establish and maintain internal control over the federal awards 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 awards. During our testing of audits of long-term care facilities and inpatient hospitals, it was noted that five of the five long-term care facility audits and two of the two inpatient hospital audits did not have documentation of the review and approval of the audits for issuance.

Questioned Costs: N/A

Context: The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286. The total population subject to testing was 28 for the inpatient long-term care facilities and 2 for inpatient hospitals.

Cause: Management does not retain adequate documentation of the internal control review process over the inpatient hospital and long-term care facility audits process.

Effect: The absence of a documented review process of the inpatient hospital and long-term care facility audits could result in an incomplete or inaccurate audit being issued.

Recommendation: We recommend that DHHR enhance policies and procedures to document the review and approval of the long-term care facility audits and inpatient hospital audits for issuance.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–036 SPECIAL TESTS AND PROVISIONS – MEDICAID FRAUD CONTROL UNIT INTERNAL CONTROLS

(Repeat of Prior Year Finding 2019–033)

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Medicaid Cluster	93.775/93.777/ 93.778 & ARRA - 93.778
	Grant Award 1905WVINCT Grant Award 1905WV5MAP Grant Award 1905WV5ADM Grant Award 1905WVIMPL Grant Award 2005WV5MAP Grant Award 2005WV5ADM Grant Award 2005WVIMPL Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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: During our testing of cases referred from the Office of Program Integrity (OPI) to the Medicaid Fraud Control Unit, it was noted that the Medicaid Fraud Referral Form was not complete for the five of the five cases selected. The sections of the form noting Bureau of Medicaid Services (BMS) contact information, OPI information, and the final section noting acceptance of the referral and review were incomplete for the five selected cases. The documentation from the Just Ware system of acceptance of the case by the Medicaid Fraud Control Unit was not maintained in the case file.

Questioned Costs: N/A

Context: The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286. The population subject to testing was a total of 5 cases referred to the Medicaid Fraud Control Unit.

Cause: Management indicated that the documentation of the completed Form was not part of the OPI’s policies and procedures.

Effect: OPI will not have clear direction on whether or not to suspend Medicaid payments to a provider and the status of the case with the Medicaid Fraud Control Unit.

Recommendation: Management should develop an effective corrective action plan to address this matter in a timely manner. We recommend that DHHR create a policy and procedure to ensure that completed Medicaid Fraud Referral Forms are maintained in the OPI files.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–037 SPECIAL TESTS AND PROVISIONS – MEDICAID NATIONAL CORRECT CODING
INITIATIVE (NCCI)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services Medicaid Cluster	93.775/93.777/ 93.778 & ARRA - 93.778
	Grant Award 1905WVINCT Grant Award 1905WV5MAP Grant Award 1905WV5ADM Grant Award 1905WVIMPL Grant Award 2005WV5MAP Grant Award 2005WV5ADM Grant Award 2005WVIMPL Grant Award 2005WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

Section 6507 of the Affordable Care Act, section 1903 (r) of the Social Security act states, the Secretary is to “(i) Identify those methodologies of the National Correct Coding Initiative administered by the Secretary (or any successor initiative to promote correct coding and to control improper coding leading to inappropriate payment) which are compatible to claims filed under this title. (ii) Identify those methodologies of such Initiative (or such other national correct coding methodologies) that should be incorporated into claims filed under this title with respect to items or services for which States provide medical assistance under this title and no national correct coding methodologies have been established under such Initiative with respect to title XVIII. (iii) Notify States of— “(I) the methodologies identified under subparagraphs (A) and (B) (and of any other national correct coding methodologies identified under subparagraph (B)); and “(II) how States are to incorporate such methodologies into claims filed under this title.

The National Correct Coding Initiative (NCCI) Medicaid Technical Guidance Manual Sections 7.1.1 states, “The state Medicaid agency, its fiscal agent, and its managed-care entities are expected to have confidentiality agreements in place with any contractor or subcontractor (including, but not limited to, COTS software vendors) which is assisting with the implementation of the state’s Medicaid NCCI program to ensure that the restrictions concerning the sharing of Medicaid NCCI edits are clearly understood by all parties. Section 7.1.1 lists the minimum elements that must be included in the confidentiality agreements and must also be followed by the state Medicaid agency.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020-037 SPECIAL TESTS AND PROVISIONS – MEDICAIAD NATIONAL CORRECT CODING INITIATIVE (NCCI)
(continued)

Condition: The Medicaid program did not provide documentation and that confidentiality agreements with the required elements were in place or that controls were in place regarding the National Correct Coding Initiative compliance requirements.

Questioned Costs: N/A

Context: The federal expenditures for the Medicaid program for the fiscal year ended June 30, 2020, were \$3,431,147,286.

Cause: Management indicated and that confidentiality agreements were in place, but the agreements did not include the required elements regarding the National Correct Coding Initiative.

Effect: Claims could be coded incorrectly, there could be coding errors, and code manipulation that could result in improper payments.

Recommendation: We recommend that DHHR evaluate their policies and procedures and add a requirement to document evidence of their controls over the the National Correct Coding Initiative compliance requirements. DHHR should also implement confidentiality agreements with all contractors and subcontractors that contain the elements required in the Medicaid Technical Guidance Manual.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–038 INTERNAL CONTROLS OVER SUBRECIPIENT MONITORING
(Repeat of Prior Year Finding 2019–036)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services	
	Opioid STR	93.788
	Grant Award 6H79TI080256-02M002	
	Grant Award 3H79TI081724-01W1	
	Grant Award 1H79TI081724-01	
	Grant Award 6H79TI081724-01M002	
	Grant Award 6H79TI081724-02M002	
	Grant Award 6H79TI080256-02M004	
	Grant Award 6H79TI081724-02M003	
	Grant Award 6H79TI081724-02M001	
	Grant Award 5H79TI081724-02	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596/ COVID-19 93.575
	Grant Award G2001WVCCDF	
	Temporary Assistance for Needy Families (TANF)	93.558
	Grant Award 2019G996115	
	Grant Award 2020G996115	

Criteria: 2 CFR 200.303 requires that the non-federal entity 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: During our internal control testing of subrecipient monitoring we determined that the documentation of the subrecipient monitoring procedures are not designed to ensure the timely review of each significant phase of monitoring. For example, the subrecipient monitoring checklist for grantees requires the pre-award administration and monitoring, the ongoing administration and monitoring, and the post-award administration and monitoring to be certified by the spending unit only during the grant close-out process.

Questioned Costs: N/A

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–038 SUBRECIPIENT MONITORING

(Repeat of Prior Year Finding 2019–036) (continued)

Context: The federal expenditures and subrecipient expenditures for the State Targeted Response to the Opioid Crisis program for the fiscal year ended June 30, 2020 were \$20,012,379 and \$12,313,297, respectively. The federal expenditures and subrecipient expenditures for the Child Care and Development Fund (CCDF) Cluster for the fiscal year ended June 30, 2020 were \$62,591,696 and \$16,062,194, respectively. The federal expenditures and subrecipient expenditures for the Temporary Assistance for Needy Families (TANF) for the fiscal year ended June 30, 2020 were \$80,602,537 and \$12,274,031, respectively.

Cause: There is lack of sufficient documentary evidence to support that the controls are operating as designed related to subrecipient monitoring.

Effect: Subrecipients may not be properly risk assessed; therefore, impacting the type of monitoring that would be performed in the future.

Recommendation: We recommend that DHHR management maintain sufficient documentation to evidence its internal control over subrecipient monitoring checklists and expenditure reports.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020

2020–039 ALLOWABILITY OF EXPENDITURES

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Health and Human Services (HHS) Opioid STR	93.788

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).

2 CFR 200.302(a) states, “Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.”

2 CFR 200.403(g) states costs must “Be adequately documented”.

2 CFR 200.456 states “Participant support costs as defined in 200.1 are allowable with the prior approval of the Federal awarding agency.”

Condition: During our testing of allowability, it was noted that the West Virginia Department of Health and Human Resources (WVDHHR) made payments to other components within the State of West Virginia (the State). Adequate documentation to determine if the expenditures were allowable was not provided for 3 of 40 items selected for testing. One of the three expenditures for \$125,765 was related to participant support costs. Participant support costs require prior approval by the Federal awarding agency, and no such approval was obtained. Two of the three expenditures for \$758,947 were not program expenditures but were transfers by the component to another account within the component.

Questioned Costs: \$884,712 – Assistance Listing #93.788

Context: Total federal disbursements for the Opioid STR program were \$22,012,379 for the year ended June 30, 2020. The 3 expenditures represent \$884,712 of the 40 expenditures selected for testing of \$1,478,248

Cause: The WVDHHR did not notify the other component of the State that they needed to maintain a detail and supporting documentation of the underlying expenditures for the payments and the components treated the agreements as a contract. The WVDHHR and the component unit, which was a university, entered into a contract. Therefore, the primary focus of the agreement was on contract deliverable instead of financial documentation. As a result, the other component was unable to provide a supporting information for certain transactions selected for testing.

Effect: WVDHHR may have drawn down federal monies in excess of the expenditures incurred.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020-039 ALLOWABILITY OF EXPENDITURES
(continued)**

Recommendation: We recommend that WVDHHR update policies and procedures to ensure when federal monies are transferred within the State of West Virginia, the other components spending the federal monies are made aware of the program requirements.

View of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

**2020–040 SUBRECIPIENT MONITORING
(Repeat of Prior Year Finding 2019–040)**

Federal Program Information:	Federal Agency and Program Name	Assistance Listing #
	U.S. Department of Homeland Security	
	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4236-DR–WV	
	Grant Award FEMA–4210-DR–WV	
	Grant Award FEMA–4221-DR–WV	
	Grant Award FEMA–4220-DR–WV	
	Grant Award FEMA–4219-DR–WV	
	Grant Award FEMA–4273-DR–WV	
	Grant Award FEMA–4331-DR–WV	
	Grant Award FEMA–4359-DR–WV	
	Grant Award FEMA–4378-DR–WV	
	Grant Award FEMA–4455-DR–WV	

Criteria: 2 CFR 200.303 requires that a non-federal entity 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).”

2 CFR 200.331(a) requires that a pass-through entity “Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

- (1) Federal Award Identification.
 - (i) Subrecipient name (which must match the name associated with its unique entity identifier);
 - (ii) Subrecipient’s unique entity identifier;
 - (iii) Federal Award Identification Number (FAIN);
 - (iv) Federal Award Date (see § 200.39 Federal award date) of award to the recipient by the Federal agency;
 - (v) Subaward Period of Performance Start and End Date;
 - (vi) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
 - (vii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation;
 - (viii) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020–040 SUBRECIPIENT MONITORING

(Repeat of Prior Year Finding 2019–040) (continued)

- (ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
 - (x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
 - (xi) CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;
 - (xii) Identification of whether the award is R&D; and
 - (xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per § 200.414 Indirect (F&A) costs).
- (2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;
- (3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
- (4) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with this part), or a de minimis indirect cost rate as defined in § 200.414 Indirect (F&A) costs, paragraph (f);
- (5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient’s records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and
- (6) Appropriate terms and conditions concerning closeout of the subaward.”

Condition: For ten of the ten subawards selected for testing for subrecipient monitoring, the West Virginia Division of Emergency Management (DEM) did not provide documentation to show that the subrecipient was made aware of any the award information required by 2 CFR section 200.331(a) at the time the subaward was made.

Questioned Costs: \$158,024 – Assistance Listing #97.036 related to Grant Award FEMA-4455-DR-WV

Context: Total federal expenditures and total subrecipient expenditure for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$30,325,741, and \$7,896,492, respectively, for the year ended June 30, 2020. The ten subawards represent \$158,024 of the total \$158,024 in subrecipient expenditures selected for testing.

Cause: Due to staff turnover and lack of staff, DEM was not timely able to make the subrecipient aware of the award information required by 2 CFR section 200.331(a) prior to the subrecipient receiving funds under the grant award.

Effect: DEM is not providing required information to their subrecipients and, therefore, not complying with federal regulations. Subrecipients do not have the necessary information to comply with the terms and conditions of their federal awards.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2020**

2020-040 SUBRECIPIENT MONITORING

(Repeat of Prior Year Finding 2019-040) (continued)

Recommendation: We recommend that DEM strengthen internal controls and policies and procedures over pass-through entity requirements to sub-recipients.

Views of Responsible Officials: Management concurs with the finding and has developed a plan to correct the finding.

***CORRECTIVE
ACTION
PLAN***



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
Financial Accounting & Reporting Section
2101 Washington Street, East
Charleston, WV 25305

Dave Mullins
Acting Director of Finance
(304) 414-9040

Betsy Chapman
Single Audit Coordinator
(304) 414-9072

CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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 304-414-9072). E-mail: Betsy.Chapman@wv.gov. The respective state agency identified in each finding is responsible for the corrective action plan.

2020-001 INTERNAL CONTROLS OVER ALLOWABILITY Community Development Block Grant Program (CDBG) CFDA Number 14.228

In March 2021, the CDBG Program implemented the following new measures; additional home inspectors were hired and trained to ensure effective implementation of a four-phase inspection process for each project. The new stronger review process includes inspections at the following phases of construction; initial inspection, inspection after foundation is complete, inspection after rough in is complete (this is around 90 % complete) and then the final inspection. Additionally, training will be provided to analyze and make necessary revisions to construction policies and procedures, provide critical training to agency-designated employees responsible for the oversight, implementation, and verification of these policies.

2020-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Workforce West Virginia (WWV) CFDA Number 17.225, COVID-19 17.225

WWV will create a desk aid with instructions on how to prepare the SEFA in accordance with 2 CFR 200.508 & West Virginia Department of Administration guidance by June 2021. The desk aid will include preparer instructions along with review steps to ensure internal controls are being maintained and financial reports are accurate.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

2020-003 INTERNAL CONTROLS OVER INFORMATION TECHNOLOGY Workforce West Virginia (WWV) CFDA Number 17.225, COVID-19 17.225

WWV will develop a process for periodic review of user accounts for Automated Benefit Payment System (ABPS), Unemployment Compensation Tax, Pandemic Unemployment Assistance (PUA), and wvOASIS. Individuals with knowledge of these applications will be tasked with periodically reviewing the users of record for these payments by June 2021. Individuals tasked with the review can involve the agency's Information Security Officer to help analyze and quantify risk.

WWV will develop policies and procedures to capture termination of employees that ensure access to all IT systems are terminated at the time of exit. The procedures will also address issues related to employee transfers within WWV as well as transfers of employees to other state agencies.

WWV will annually request and review SOC audits from the Geographics Solutions, Inc. (GSI) PUA system. WWV will develop a policy for the annual review of the GSI SOC reports. The review process will include documentation of existing complementary user entity controls in place, as well as identifying controls that are necessary.

2020-004 SPECIAL TESTS AND PROVISIONS - UI PROGRAM INTEGRITY - OVERPAYMENTS Workforce West Virginia (WWV) CFDA Number 17.225, COVID-19 17.225

WWV will contact the US Department of Labor by June 2021 to determine a resolution to this finding.



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**2020-005 INTERNAL CONTROLS OVER REPORTING
 Workforce West Virginia (WWV)
 CFDA Number 17.225, COVID-19 17.225**

WWV will create a desk aid with preparer instructions documenting the report submission process by June 2021. This will include steps for review by appropriate individuals familiar with the reporting requirements to ensure that accurate information is reported and internal controls over the reporting process are adequately enforced.

**2020-006 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS – MATCH WITH IRS 940 FUTA TAX FORM
 Workforce West Virginia (WWV)
 CFDA Number 17.225, COVID-19 17.225**

WWV will perform a sampling of matching documents as it relates to 940 FUTA tax forms by June 2021 to ensure that policies and procedures involving internal control are being enforced.

**2020-007 INTERNAL CONTROLS OVER QUALITY ASSURANCE PROGRAM
 Division of Highways (DOH)
 CFDA Number 20.205, 20.219, 20.224, 23.003**

With the current IT system (SiteManager), DOH uses a series of user groups and permissions to restrict access to certain functions including the authorization of a sample. Because the system generates these reports, DOH is using the authorization function as a digital signature to indicate review and approval by the appropriate authority. In most instances, a non-approving entity does not have the authority or system permission to authorize samples.

DOH is in the process of migrating to Sitemanager’s replacement which has a much more robust role and permissions system. This system will be in place by October 2021. DOH will have the ability to control material verifications and certification such that a non-approving authority cannot accidentally approve a sample.



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**2020-008 INTERNAL CONTROLS OVER ALLOWABILITY
 Division of Highways (DOH)
 CFDA Number 20.205, 20.219, 20.224, 23.003**

DOH will continue to reinforce the importance of the policies and procedures in place for preparing and reviewing timesheets. DOH District personnel involved in the three improperly prepared and reviewed DOT-12LEs have been contacted to emphasize the need to follow procedures in place for timesheet preparation and review.

**2020-009 SUBRECIPIENT MONITORING
 State of West Virginia (WV)
 CFDA COVID-19 21.019**

WV's COVID-related grant program was developed at a time prior to all guidance and information being published by the Department of Treasury, including the applicability of 2 CFR 200 as the Coronavirus Relief Fund payments to states were considered Other Assistance rather than traditional grant awards. By July 2021, WV will review the design of all subrecipient agreements and ensure that appropriate policies and procedures are in place to include the elements required under 2 CFR 200.

By July 2021, WV commits to further ensuring that all subrecipients have a formally documented risk assessment performed prior to engaging in any agreements.

**2020-010 INTERNAL CONTROLS OVER CASH MANAGEMENT
 West Liberty University, Pierpont Community and Technical College and Concord University
 CFDA Number 84.007, 84.033, 84.038, 84.063,84.268, 84.379, 93.264, 93.342, 93.364, 93.925**

West Liberty University (WLU) response

Effective January 2021, WLU implemented procedures to ensure that all drawdowns are reviewed and approved prior to any funds being drawn down from the U.S. Department of Education G-5 system.



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Pierpont Community and Technical College (PCTC) response

PCTC established independent finance operations beginning July 2020. The policies and procedures have been updated to require supervisor approval of the draw calculation prior to the request of funding from the U.S. Department of Education through the G5 system.

Concord University (Concord) response

Effective February 2021, the Concord Business Office implemented internal controls for cash management so that review and approval of the drawing down of federal funds for various student aid programs is done prior to the drawdown.

2020-011 INTERNAL CONTROL OVER FINANCIAL REPORTING

West Virginia University at Parkersburg, Pierpont Community and Technical College, Fairmont State University, Bluefield State College and New River Community and Technical College

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

West Virginia University at Parkersburg (WVU-P) response

Effective July 2020, all transmission files to Common Origination and Disbursement (COD) are reviewed for rejects or corrections. If there are no rejects or corrections, then no further action is necessary, and the file is moved to a folder. If any rejects or corrections are identified, those errors are resolved within the week of disbursement and re-transmitted to COD. All transmission files are maintained in a folder by aid year. Pell current funding levels (CFL) are not increased unless the school sends disbursement files, which must be approved on COD, prior to an increase in the CFL. The Business Office does a drawdown of funds paid to students the day following financial aid disbursement in Banner. The Business Office uses reports to adjust drawdowns as needed. The Financial Aid Office and the Business Office work in tandem to manage Pell disbursement and drawdown and the Financial Aid Office is in daily communication with COD. The Financial Aid Director maintains contact regarding Pell transmissions with the Business Office.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

WVU-P developed and implemented these PELL reconciliation policies and procedures to ensure all required documentation is retained and available to the auditors and will comply with FSA required Pell reconciliation procedures.

Pierpont Community and Technical College (PCTC) response

PCTC's Financial Aid staff will take screen captures of both Banner and Common Origination and Disbursement (COD) for a monthly reconciliation of the Federal Pell Grant program. Screen captures will be printed, and comparisons will be made. All necessary adjustments will be performed to student accounts until balanced. Financial aid staff will "sign off" as an approval on reconciliation documentation and provide to the Finance Department for their review and approval. The completed monthly reconciliation information will be retained in the financial aid processor's office. This process was implemented in July 2020 and ensures timely processing of all federal Pell grants to students as well as updates to the COD system.

Fairmont State University (FSU) response

Effective February 2021, FSU reconciles Pell multiple times a month depending on the time of year and the activity through the grant program. FSU has documented the process and maintained documentation of the students involved in the reconciliation. Due to the reconciliation taking place in Banner and Common Origination and Disbursement (COD), the timing of such reconciliation is not always the same day. FSU will be implementing a reconciliation process for Pell whereby the data from the Banner system and the COD system will be documented once the student records are corrected in Banner and the student records have been updated in the COD system.

Bluefield State College (BSC) response

Effective July 2021, BSC will implement a review process for the Pell reconciliation. The accounting office will provide disbursement reports and will compare to the Pell reports. The reports will be reviewed for accuracy and the financial aid manager will be notified of any discrepancies and decide on corrections. Once the corrections are made, the report will be reviewed and approved to ensure accuracy.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

New River Community and Technical College (NRCTC) response

A report is run from Banner that will create a spreadsheet comparing financial aid awards, student accounts and Common Origination and Disbursement (COD) amounts which are the result of Pell files sent and received from COD. Pell files are created in Banner and sent to COD, processed and downloaded back into Banner. Pell files are transmitted two or more times a month depending on the time of the academic year. Each file is reviewed and reconciled for any discrepancies. At the end of each month, a final report is reconciled, amounts are reconciled with COD and Banner. Effective February 2020, the monthly reconciliation was reviewed and signed by both the Director of Financial Aid and Financial Aid Manager. Effective August 2020, the monthly reconciliation was reviewed by the Director of Financial Aid and the Interim Controller. Prior to February 2020, the Director of Financial Aid was completing the monthly reconciliation. Two months were reviewed, August 2019 and March 2020. August did not have the required signatures because management was unaware of the two-signature compliance change. NRCTC implemented procedures in January 2021 to ensure compliance.

2020-012 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS - VERIFICATION

West Virginia University at Parkersburg (WVU-P)

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

During the 2019-2020 academic year, WVU-P invested in a software solution from a third-party vendor, CampusLogic, to assist with the collection of verification documentation and to improve the efficiency and accuracy of documentation for the verification process. Beginning July 2020, each document is signed off as reviewed and approved or rejected by a staff member. When the files are reviewed, the review is not considered complete until the corrections made have arrived back approved from the U.S. Department of Education. At that point, the corrections are loaded into both CampusLogic and Banner. The



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

corrections are then reviewed in a side-by-side comparison with the original data that the student provided.

2020-013 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS

Bluefield State College (BSC)

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

Effective February 2021, BSC will begin sending disbursement disclosure notices (Right to Cancel) to any student or parent with loans via email. Students will then have two weeks from date of email to cancel any applicable loans and will have to provide proper identification. BSC will maintain all records as documented evidence of compliance with federal guidelines.

2020-014 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS

BlueRidge Community and Technical College, West Liberty University, Bluefield State College, New River Community and Technical College, Pierpont Community and Technical College, and Fairmont State University

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

BlueRidge Community and Technical College (BRCTC) response

Effective November 2020, BRCTC’s Financial Aid Office provides notifications of student returns to the Finance Department. In order to strengthen this control and ensure greater accuracy, the Comptroller or other designated Finance Department staff and Financial Aid Office staff review and acknowledge that funds have been returned accurately.

West Liberty University (WLU) response

Effective April 2020, the Return of Title IV Funds (R2T4) process was moved from the Business Office and is now completely handled by the Financial Aid Office. Reports are run every Friday by the Director.



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Required R2T4s are completed in the Common Origination and Disbursement (COD) system. Withdraw dates within Banner are verified by the Director against forms completed by students and aid is reduced within Banner. R2T4s are checked by Assistant Director and Title IV Aid reports are sent to COD via EdConnect.

Bluefield State College (BSC) response

Effective August 2021, BSU will implement internal controls to perform Return of Title IV withdrawal and calculations ensuring records comply and are returned within the 45-day timeframe. Permit to withdraw forms will be completed and reviewed with all signatures and reviewed by the Financial Aid Manager.

New River Community and Technical College (NRCTC) response

Effective August 2020, NRCTC's Registrar Office determines date of withdrawal and calculates the return of Title IV funds. Documentation will be sent to the Financial Aid Office where the date will be verified, and calculation will be performed on the Common Origination and Disbursement (COD) system. Once complete, all documentation will be sent to the Business Office. Calculated amounts will be verified and signed to ensure funds are returned timely.

Pierpont Community and Technical College (PCTC) response

PCTC's financial aid staff will complete a Return of Title IV Funds (R2T4) for all students, including those outside the refund period to ensure adequate evidence that no federal funds were required to be returned for students who withdrew or received all "F"s and failed to withdraw even after 60% of the term was completed by each. This will enhance the existing policies and procedures for students inside the refund period and will now be completed timely. This process was implemented in November 2020.

Fairmont State University (FSU) response

FSU will add controls at each step of the Return of Title IV Funds (R2T4) process to ensure the accuracy of the data. Those controls will consist of, but not limited to, verifying the accuracy of the withdraw date from the RZRWDRL process; verifying the accuracy of the



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withdraw date provided on the spreadsheet provided to Financial Aid prior to the R2T4 calculation being completed; and each step will be signed off by the reviewer. These additional controls were put in place in September 2020.

2020-015 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING

New River Community and Technical College, West Liberty University, Bluefield State College, Pierpont Community and Technical College, West Virginia State University, Mountwest Community and Technical College, Concord University, Fairmont State University, West Virginia University – Parkersburg, and West Virginia University
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

New River Community and Technical College (NRCTC) response

NRCTC's Registrar's office will implement policies and procedures that will request the error report from IT and will correct the errors on the report. The Registrar's office will request IT to rerun the error report to ensure all errors have been corrected. The Registrar's office will then request IT to send the enrollment report to submit it to the clearinghouse by the due date and will correct any errors from the clearinghouse.

The Registrar's office will run a random selection of 20 students from NSLDS to make sure students are correct in the clearinghouse, which will be done at least 50 days out from the time students were initially reported. IT and the Registrar's office will sign off on these processes when the report is run, when the report is reviewed, and once the report is sent. These policies and procedures will be effective in August 2021.

West Liberty University (WLU) response

Effective August 2020, WLU has updated reporting for all enrolled, withdrawn, and graduated students to within 20 days to meet all federal requirements. Before reports are sent to the Clearinghouse, the



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Director of Financial Aid checks for accuracy and completeness with an internal review of the files.

Bluefield State College (BSC) response

Effective February 2021, BSC has implemented additional policies and procedures to verify the uploaded number of students with the enrollment in Banner and reconcile the two reports. BSC will then randomly select students to check enrollment, number of hours of enrollment, and check the withdrawal and graduation dates. Corrections will be made on the hard copy of the enrollment reports to ensure accuracy.

Pierpont Community and Technical College (PCTC) response

PCTC's Registrar staff will separate the withdrawal and review process between three separate employees. One employee will complete the withdrawal process, one employee will complete the file submission process to the National Student Clearinghouse (NSC), and then a third employee will complete the review of the NSC file submission. This review will include a random selection of 20 students within each population and those students will be manually reviewed in Banner to ensure accuracy of the enrollment status that was generated via a report to submit to NSC. In addition, the Registrar staff will sign off on said tracking document and share the document with the financial aid staff. The financial aid staff will then review a separate selection of 20 students from each submission in NSLDS to ensure accuracy of the reported enrollment status. Should any discrepancies be found, the Registrar's office and Financial Aid office will work collectively to resolve each. Implemented in January 2021, this process applies to all submissions to the NSC and will ensure accuracy.

West Virginia State University (WVSU) response

Beginning February 2021, the Division of Enrollment Management, through the Office of University Registrar, will implement policies and procedures to review, correct and report student data to the National Students Loan Data System (NSLDS) in a timely manner. An initial review will be performed four weeks after the start of each semester with monthly reviews performed on the fifth day of each month until the end of the semester. An end of term review will be completed three



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weeks after the end of the semester and the graduate file review will be performed within 45 days after graduation. Inter-office reviews will be done both 20 days and 10 days prior to submission to the Student Clearinghouse. Once the inter-office review phase has been completed, the VP Enrollment Management, Associated Registrar, Registrar and Director of Financial Aid will sign-off and approve the report certifying all checks and balances have been followed. Once the student data has been submitted to the Student Clearinghouse, Registration will receive a report of any errors that need to be corrected. Corrections will be made by Registrar Office staff within 10 days of receiving the error report.

Mountwest Community and Technical College (MCTC) response

Beginning February 2021, MCTC will create a paper record for audit purposes by sampling 20 students from each enrollment report before it is sent to National Student Clearinghouse (NSC) to verify the accuracy of enrollment status and the timeliness of the enrollment status. Each student sample will be reviewed and initialed by two reviewers. Further, MCTC will sample 20 students from NSLDS, within 60 days of enrollment submission to NSC, to verify that NSC did accurately and timely report the enrollment status of the sampled students to NSLDS. Each NSLDS sample will be reviewed and initialed by two staff persons. Each sample from the monthly enrollment reporting and NSLDS will be maintained in the Registrar's Office.

Concord University (Concord) response

Concord's Registrar plans to increase internal controls for enrollment reporting to the Clearinghouse effective January 2021. The Registrar's Office will continue to spot check the printed NSC extract against Banner to ensure accuracy of the enrollment status for students reported. Concord will be expanding the current process by creating a memo which includes date and time of each extraction report, the names of students spot-checked, page number of the report, and date and time of each submission after spot-checking is completed. The Program Assistant and the Registrar will sign and date the memo documenting the review and approval process.



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
Financial Accounting & Reporting Section
2101 Washington Street, East
Charleston, WV 25305

Dave Mullins
Acting Director of Finance
(304) 414-9040

Betsy Chapman
Single Audit Coordinator
(304) 414-9072

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Fairmont State University (FSU) response

FSU will add additional controls to verify the accuracy of the data submission of the enrollment reporting files to the Clearinghouse beginning February 2021.

West Virginia University at Parkersburg (WVU-P) response

No compliance issue of incorrect or late enrollment reporting was identified during the audit. Currently, there are three staff members involved in the enrollment reporting process; the Associate Registrar, the Registrar, and the Director of Financial Aid. The Associate Registrar extracts the enrollment reports from Banner and submits those reports to the Registrar for review. In the Registrar's absence, the FA Director can perform the review of the report. All three parties are included in the communication chain for these reviews. The Registrar reviews the report for accuracy, and then confirms that the report can be sent to the National Student Clearinghouse for processing. Sometimes we receive errors back, and the Associate Registrar reviews and corrects all error issues, with the approval again of the Registrar. All communication throughout the whole process, including the confirmations from NSC, are shared with all three parties (Registrar, Assoc. Registrar, Director of F.A.).

To address the control issue identified, WVU-P has created an additional control within the withdrawal process effective with the Spring 2021 semester in which the student's last date of attendance is verified with the faculty member and confirmed in the student's record in Banner before their withdrawal from a course or term is processed. This confirmation step in the withdrawal process will eliminate any errors in enrollment reporting for withdrawn students, and also eliminate errors in reporting for changes in enrollment status (full-time to part-time, etc). WVU-P is in the process of creating additional steps in the process for a timely post-reporting review of NSLDS records to confirm that the enrollment that was reported to NSC was reported accurately and timely to NSLDS.



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WVU-P believes the measures detailed above are sufficient and provide the proper level of internal controls. The NSLDS review process is being finalized and will be fully implemented for the Summer 2021 term, using the Spring 2021 semester to finalize the procedures.

West Virginia University (WVU) response

WVU's Office of the University Registrar (OUR) has verified each enrollment file sent to the National Student Clearinghouse (NSC) every 30 days. The Enrollment Reporting procedure includes steps for comparing and verifying the NSC data file and the Argos data file the OUR office pulls. Argos is a reporting tool used by OUR to pull student transaction data from Banner. If any discrepancies are discovered, the issue is identified and corrected. The OUR will run the Argos file against the NSC file by using ACCESS until all discrepancies have been resolved and the comparison files match. Beginning January 2020, all data files will be prepared by the Associate Registrar and reviewed and signed by the Assistant Registrar. All NSC communication will be saved and retained for verification purposes. The process is conducted for every enrollment file submitted to the NSC.

2020-016 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION

Bluefield State College and West Virginia University at Parkersburg

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

Bluefield State College (BSC) response

Effective August 2020, BSC will reconcile Common Origination and Disbursement (COD) records and Banner monthly within the timeframe of 45 days by the Financial Aid Manager and/or the Chief Enrollment Officer. The reconciliations will be reviewed, signed, and maintained to help facilitate audit procedures.



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West Virginia University at Parkersburg (WVU-P) response

WVU-P performs a proper reconciliation of the Direct Loan Program to the amounts disbursed to students in Banner. However, the reconciliation process was not documented. Written policies and procedures were developed in July 2019 to ensure compliance with this requirement. WVU-P Financial Aid officials have implemented the policies and procedures for the Direct Loan reconciliation process, including the usage of the SAS reports in a monthly reconciliation process. These policies and procedures were effective beginning August 2020 and have been followed for the full academic year. WVU-P will also continue to utilize the Direct Loan Reconciliation participant guide provided by the Department of Education to ensure that policies and procedures are compliant, and that proper documentation is maintained.

2020-017 SPECIAL TESTS AND PROVISIONS – DISTANCE EDUCATION Bluefield State College, New River Community and Technical College, and Pierpont Community and Technical College CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

Bluefield State College (BSU) response

Effective January 2021, BSU has implemented internal controls to follow refund guidelines. When the Registrar's Office receives the withdraw form, procedures will ensure the process date and the effective withdraw dates are the same. One employee will process the withdraw and a second employee will review the information to verify accuracy.

New River Community and Technical College (NRCTC) response

Effective August 2020, NRCTC's Registrar's Office will run a report to determine those students that received all F's/FIW's at the end of each semester. Last date of attendance will be determined by the dates provided by the instructors or the date the posting of the grade occurred. Once the last date of attendance is determined, the Registrar's Office will complete a withdrawal form and send it to the Financial Aid Office to perform a Return of Title IV Funds (R2T4)



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calculation. If the last date of attendance cannot be determined, a 50% refund will be calculated. The Financial Aid Office will send the withdrawal form to the Business Office for final review and verification and signatures will be retained.

Pierpont Community and Technical College (PCTC) response

PCTC’s financial aid staff will complete a Return of Title IV Funds (R2T4) calculation for all students, including those outside the refund period to ensure adequate evidence that no federal funds were required to be returned for students who withdrew or received all “F”s and failed to withdraw even after 60% of the term was completed by each. This will align with the existing procedure for students inside the refund period and will now be completed to ensure the required information is accurate. This process was implemented in November 2020.

2020-018 SPECIAL TESTS AND PROVISIONS – GRAMM-LEACH-BLILEY ACT – STUDENT INFORMATION SECURITY

West Virginia University, West Virginia State University, Marshall University, West Virginia University at Parkersburg, Pierpont Community and Technical College, Fairmont State University, New River Community and Technical College, Shepherd University, West Virginia Northern Community and Technical College, Bluefield State College, West Virginia School of Osteopathic Medicine, Concord University and West Liberty University

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

West Virginia University (WVU) response

In 2018, WVU established an agreement with a third-party vendor to conduct annual risk assessments for GLBA compliance. An initial assessment was conducted in March 2019. A second assessment was scheduled to be conducted in March 2020, but was canceled by the vendor due to COVID-19. In June 2020, WVU compiled a report identifying (1) remediation progress to date and (2) priorities for FY21 remediation efforts. This report was presented to WVU’s GLBA Steering Committee in June for review. WVU also provided the report



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to the third-party vendor for review and feedback. For FY21, WVU continues to work on remediation of the compliance gaps identified from the FY20 report. To date, WVU has remediated 18 of 33 gaps identified in the 2019 assessment. The third-party vendor is scheduled to complete a 2021 risk assessment March 2021.

West Virginia State University (WVSU) response

WVSU retained a vendor that specializes in IT security to provide risk assessments and provide evaluation for the entire information technology infrastructure. WVSU will develop network monitoring and system management systems, develop security training programs for all personnel who work with student data, and will maintain and document ongoing training and monitoring to comply with the Gramm Leach Bliley Act. This will be complete by October 2021.

Marshall University (Marshall) response

Marshall continues to make progress towards addressing the findings from the April 2020 Gramm Leach Bliley Act (GLBA) risk assessment. In Spring 2021, the Marshall GLBA Task Force will meet with an external compliance advisor to review progress towards risks identified in the prior year. In Summer 2021, senior management will review existing policies and procedures to ensure compliance with 16 CFR 314.4(b)(c). By Fall 2021, the GLBA Task Force will conduct a GLBA risk assessment to evaluate effectiveness of key controls, systems and policies and procedures.

West Virginia University at Parkersburg (WVU-P) response

WVU-P completed and documented a GLBA risk assessment. The risk assessment addresses all of the required GLBA elements. To date, the risk assessment has not been evaluated by a third-party consultant. Third-party firms familiar with GLBA have been contacted to request a quote so that the cost/benefit of contracting an outside review of the risk assessment can be evaluated. COVID-19 delayed this process, but WVU-P expects to update communications with outside vendors and plans to conduct a review in June 2021.



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Pierpont Community and Technical College (PCTC) response

PCTC has successfully separated their network from Fairmont State University. PCTC previously did not have an independent Information Technology infrastructure. PCTC will continue to develop a comprehensive risk assessment plan throughout the year. PCTC is currently working on a Disaster Recovery Plan and Risk Assessment that will be completed by June 2021.

Fairmont State University (FSU) response

FSU is currently engaging with security consultants to ensure the proper documentation, policies, and procedures are in place and annual internal audits are performed according to GLBA specifications. This will be complete by April 2021.

New River Community and Technical College (NRCTC) response

NRCTC has made great strides in recent months to establish policies and procedures, standards, and controls related to compliance with GLBA information security requirements. A recent internal security audit was conducted in February 2021 and improvements have been made. An assessment will be completed by June 2021.

Shepherd University (Shepherd) response

Shepherd continues to review and improve comprehensive risk assessment plans. The IT Services department works with independent, third parties to review and recommend improvements to core processes, data security, and infrastructure vulnerabilities on an annual basis. As a result, Shepherd has engaged with external vendors to assist in GLBA Assessment services and remediation and is targeted to begin by July 2021.

West Virginia Northern Community and Technical College (WVNCC) response

WVNCC had a risk assessment in February 2020 and will continue to have security assessments done on a yearly basis in the month of July going forward. WVNCC will continue to document safeguards in response to the identified risks from the security assessment. WVNCC will examine current policies and procedures, identify and update as



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necessary. From this assessment, WVNCC will develop internal controls so that policies and procedures are followed, monitored, and reviewed. Policies and procedures will be updated annually.

Bluefield State College (BSC) response

BSC's IT staff met and reviewed the GLBA audit findings and the SyCom Security Assessment. Policies and procedures, training and internal controls are in the process of being updated and are expected to be in place by March 2021.

West Virginia School of Osteopathic Medicine (WVSOM) response

WVSOM completed the required an internal risk assessment in May 2020. WVSOM contracted with Software Compliance Associates (SCA) in June 2020 for a third-party risk assessment specific to GLBA, PCI compliance, internal/external penetration testing and mock phishing. The required components of GLBA 16 CFR 314.4(b) and (c) including risk assessments & mitigations for IT systems, and employee training on GLBA requirements have been addressed. Policies and procedures, internal controls, training courses, and a third-party contract (SCA) are in place to continue compliance with the GLBA requirements.

Concord University (Concord) response

Concord IT management completed an internal risk assessment in compliance with 16 CFR 314.4(c) in May 2020. Concord's IT Department created the IT Security Council, comprised of the CIO, Director of IT Operations, and Director of Enterprise Applications. This council meets bi-weekly to discuss immediate security threats and to collaborate to address the identified risks from the most recent assessment. Concord has been making progress towards the issues identified. The COVID-19 pandemic and strain on resources has complicated progress, but Concord is committed to prioritizing the development of policies, procedures and internal controls using best practices to fully meet the requirements listed in 16 CFR 314.4(b) and (c) by June 2021.



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
Financial Accounting & Reporting Section
2101 Washington Street, East
Charleston, WV 25305

Dave Mullins
Acting Director of Finance
(304) 414-9040

Betsy Chapman
Single Audit Coordinator
(304) 414-9072

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West Liberty University (WLU) response

The WLU IT department performed the required assessment in June 2020 and is utilizing the findings as a guide for internal improvement. The assessment found no vulnerabilities in the WLU network infrastructure, but there were areas pointed out that required improvement from a documentation and policy perspective. WLU is reviewing policies and procedures that will remediate much of the assessment findings. These findings will be in place by June 2021. WLU is also taking steps to increase the cyber security level by implementing EPP / EDR systems during fiscal year 21 and are scheduling annual assessments. These activities have been incorporated into the annual schedule and budget to ensure that WLU remains compliant with the requirements of the audit and, more importantly, vigilant in efforts to provide a safe and secure environment for data.

2020-019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS West Virginia State University (WVSU) COVID-19 84.425E/84.425F/84.425J

In light of the coronavirus pandemic and the subsequent allocation of CARES funding to higher education institutions, guidelines surrounding the reporting and accounting of these funds were not readily available at the time.

Effective March 2021, WVSU will ensure that any and all federal funds that have not been processed through the WVOasis systems (by means of outside bank account) are included as reconciling items within the SEFA report. Including this comprehensive information will allow account balances to reconcile while still reporting the additional information as required.



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2020-020 ALLOWABILITY

Bluefield State College, Glenville State College, Fairmont State University COVID-19 84.425E/84.425F/84.425J

Bluefield State College (BSC) response

In March 2021, Bluefield State College implemented an action plan for the awarding of federal monies due to Emergency Higher Education Relief funding. The awarding process will be implemented in accordance with guidelines that are received by the Federal agencies to include: 1) once the guidelines are received the school will establish the necessary process to determine the students that are to be awarded the Federal monies, 2) the process will be reviewed by the Chief Technology Officer and the Financial Aid Manager, 3) The Chief Technology Officer will run a program based on the regulations and parameters to determine the students that are eligible, 4) the Financial Aid Manager and Chief Technology Officer will then review the list of the students that were selected by the program to verify and sign off on eligibility for the Federal money, and 5) the awards will be processed to each eligible student using the refund procedure previously established for the refunding of money electronically through BankMobile and the students chosen refund preferred bank account.

Glenville State College (GSC) response

GSC reviewed and interpreted the HEERF FAQ document and noted items 5) and 11) most directly related to the manner of payment of the student portion funds to the students. Item 5) states that “the student may use his or her emergency financial aid grant for expenses related to the disruption of campus operations due to the coronavirus.” GSC provided, on a completely voluntary and non-coerced basis, the avenue for the students to do just that in as efficient a manner as possible. Those students who voluntarily and willingly agreed that application to their balance due was how they individually decided was the best use of those grant funds, provided their instruction accordingly. It is important to note that only 20 students remained on campus but were taking classes on-line. All students were receiving their instruction on-line, during a “lockdown” type period of time when travel to the



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campus to pay the grant funds they had just received was not a viable option. It is acknowledged that other electronic methods of payment by the student were available; however, GSC's approach was one that provided an overall convenience to the students who chose to apply their payment directly to their account. These are students whose expenses and financial disruption experienced due to Coronavirus was often the inability to work at their on-campus job, or other employment avenues, which had previously provided them the ability to make their recurring account payments to the College, whether under a formal payment plan or otherwise. Their instructions to apply the grant to their account was a legitimate direct use of the payment no differently than if they had provided those same instructions unsolicited.

While GSC stands behind its initial interpretation of the guidance, GSC recognizes the subjectivity that was applied in the interpretation, and acknowledges and accepts the finding. GSC's approach, going forward, is to more thoroughly review applicable guidance to ensure clarity and objectivity of the instructions and, where that may be lacking, to seek further interpretation or authority before proceeding. GSC's remediation has been demonstrated through the disbursement of recently awarded HEERF II funds. GSC has thoroughly reviewed the revised guidance governing that second round of CARES act funding and have identified the various changes that outline the broader latitude guiding the disbursement of those funds. That guidance clearly allows for students to make the decision to apply their grant awards to their student account balances so long as their instructions are documented in writing or electronically. GSC has obtained documentation, by way of an on-line form, and in some cases by email, from the students of their approval for all HEERF II grant awards that are applied to balances due.

GSC has implemented a new internal control policy effective March 2021 surrounding the institutional portion disbursements of the new HEERF II funds. As a result of this policy, allowable expenditures are determined by the Controller and emailed to the CFO for approval. Once the CFO reviews and provides written approval via email, the Controller prepares a drawdown request for the amount of the expenditures. This drawdown request is signed by both the CFO and



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Controller and taken to the Cashier for drawdown from the appropriate G5 Federal Account. Those funds are deposited into the state bank account and a CR is created by the Cashier in the WVOasis accounting system. This CR is reviewed and approved in WVOasis by either the CFO or the Controller. Upon completion of the CR in WVOasis, the Controller transfers the approved expenses via an IGT that is reviewed and approved in WV Oasis by the CFO. This procedure will be followed for all similar federal fund drawdowns.

Fairmont State University (FSU) response

FSU was not able to provide written confirmation that institutional portion disbursements were reviewed and approved by the appropriate parties prior to draw of funds being made, although the review and approval did occur verbally. Effective March 2021, written documentation of review and approval of amounts to be disbursed will be provided through email communication from the CFO to the Program Manager before disbursements are made.

2020-021 REPORTING

**New River Community and Technical College, Pierpont Community and Technical College, Fairmont State University, Mountwest Community and Technical College
 COVID-19 84.425E/84.425F/84.425J**

New River Community and Technical College (NRCTC) response

NRCTC will enact a more stringent review process prior to publication of any required reporting: Effective April 2021, NRCTC will review and update the information posted on the college website related to CARES Act Funds. Going forward, NRCTC will set a deadline to produce a draft publication. The draft will be developed by a date that will provide adequate time for review and revision prior to final publication. NRCTC will identify additional individuals to review. Staff reviewing the draft report will be selected from appropriate functional areas of the college. The group of reviewers will meet to discuss concerns and suggested corrections. The controller and grant manager will review the reporting requirements and verify all data components are included prior to final publication on the college's



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website. This will mitigate the risk of misinterpretation or oversight of any regulations pertaining to reporting requirements.

Pierpont Community and Technical College (PCTC) response

PCTC's Financial Aid Staff miscounted the number of students awarded causing an error in reporting. PCTC has a double check system in place to avoid this issue in the future. Effective March 2021, PCTC will post all maximum award amounts and the process of awarding on the website. PCTC will also keep all documentation of initial reports generated for total eligible students moving forward. This corrective action plan is in place as of September 2020 for the fall awards that were made.

Fairmont State University (FSU) response

FSU was not able to provide written confirmation that review of the Section 18004 (a)(1) Student Aid portion quarterly public reporting (CFDA 84.425E) reports were completed and approved before being published to the institutional website, although the review and approval did occur verbally. Effective March 2021, the Financial Reporting Manager will alert the CFO that the data is completed and ready for review. Once the CFO has reviewed, an email will be sent to the Webmaster requesting the data be published and indicating approval of the data.

Mountwest Community and Technical College (MCTC) response

MCTC recognizes that internal controls surrounding the review of the Section 18004(a)(1) Student Aid Portion Quarterly Public Reporting (CFDA 84.425E) reports need improved. Effective March 2021, MCTC implemented a process where information regarding federal CARES funds, prepared by the business office, is reviewed by the Director of Financial Aid before being published on MCTC's website.



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**2020-022 ALLOWABILITY – AGENCY WIDE PAYROLL CONTROL COSTS INCLUDED IN COST ALLOCATION PLANS
Department of Health and Human Resources (DHHR)
CFDA Number 93.558, 93.568, 93.575, 93.596, 93.658, 93.659, 93.767, 93.775, 93.777, 93.778, ARRA 93.778**

The DHHR went live with the Kronos time and attendance system in 2017. After going live, the DHHR Office of Human Resources Management (OHRM) discovered that the Kronos system was calculating an extra 30 minutes to account for a paid meal period that sometimes was in error. Per DHHR Policy Memorandum 2102, “Hours of Work/Overtime,” employees are provided a paid 30-minute meal period per eight-hour day if the employee works at least a six-hour shift and if the employee is available for work during the meal period. As the system cannot determine when an employee is available for work [or not available for work] during the meal period, it is the employee and supervisor’s responsibility for ensuring that the correct number of hours are reflected on the timecard, particularly if the employee works multiple shifts on one date. To address this issue, the OHRM instructed all employees within the DHHR to edit the second shift as a “new shift” so that an extra 30-minute meal period is not added to the employee’s total hours and instructed all supervisors and timekeepers to monitor the issue when reviewing and approving timecards.

Previously, the only way to discover the issue was to review each timecard manually. With over 5,000 timecards to review each pay period, it is physically impossible for payroll processors within the OHRM to manually review each timecard with this level of detail. Because pay policies are not standard for all agencies, a change to the system is not considered a viable solution. Agencies are responsible for ensuring the accuracy of timecards in accordance with their respective pay policies. The OHRM began receiving a report (the “Punch Report”) in October 2020 to help identify errors related to this issue. In essence, the Punch Report discloses all instances whereby a person worked multiple shifts throughout the day and did not edit the subsequent shift(s) as new shifts. The OHRM receives the Punch Report prior to sign-off and after sign-off of every payroll processing week. In March



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2021, payroll processors began to manually review the Punch Report for each pay period to detect any discrepancies between the total hours worked by an employee and the total hours reflected on the employee's timecard. To prevent overpayments, the OHRM will review the Punch Report after timecards are approved but prior to payday.

For the three disbursements noted in the condition section of the finding, the OHRM has begun the collection process and expects to receive payment in full by April 30, 2021.

2020-023 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
Department of Health and Human Resources (DHHR)
CFDA Number 93.558, 93.568, 93.575, 93.596, 93.658, 93.659, 93.767, 93.775, 93.777, 93.778, ARRA 93.778

The DHHR plans to explore the possibility of enhancing the Quality Control process by adding other programs to the overall scope and expanding the populations [for sampling] to include both payments that have case data that is initiated and approved by the same person as well as case data that is entered by one person without another level of approval. However, given the volume of work that the BCF and other offices within the DHHR are experiencing, an anticipated date for completion is unknown at this time.

2020-024 ALLOWABILITY AND ELIGIBILITY – ADMINISTRATIVE SERVICE ORGANIZATION AND TITLE IV-A/IV-F TANF EXPENDITURES
Department of Health and Human Resources (DHHR)
CFDA Number 93.558

To address the errors incurred by caseworkers, the DHHR Bureau for Children and Families (BCF) will provide technical assistance in the form of additional training and will remind supervisors of the importance of a substantive review prior to approving payments. Additionally, the BCF will revisit existing policies and procedures and will revise those policies and procedures as may be necessary to ensure that supervisory approvals and other applicable documentation is



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maintained in the case files. Any revisions will be in place by June 2021.

2020-025 INTERNAL CONTROLS OVER 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

The corrective action plan for the prior year finding 2019-025 will remain in place. The DHHR Bureau for Children and Families (BCF) Policy Unit will send monthly reminders regarding the sanction policy. The Policy Unit will distribute the Sanction Flow Chart/Desk Guide by March 5, 2021 and will provide access to the document on the BCF Division of Family Assistance SharePoint site. Management within the BCF will provide emphasis and additional training to all staff to supply all case documents for all steps of the sanction process to provide evidence of documentation of the internal controls pertaining to the issuance and removal of sanctions against TANF recipients. A Sanction Blackboard course will be sent out April 1, 2021 for completion by April 30, 2021. Management will also emphasize the need to maintain accurate documentation of sanctions within case files. A checklist for sanctions will be sent to field staff to be included with all Sanctions. The checklist will be scanned into On-Base as additional documentation of the sanction when sanctions are applied to cases. The Policy Unit will also continue reviewing WV WORKS cases monthly to ensure accuracy and try to eliminate findings.

As additional measures beyond the corrective action plan for the prior year finding, the BCF will hold a virtual conference in each region throughout the state to review policies and procedures regarding sanctions; the WV WORKS Council will add payment accuracy training with staff quarterly; and the TANF Policy Unit will review RAPIDS Management Reports regarding Sanctions to ensure 3rd Sanctions are being sent to the Policy Unit for review.



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2020-026 SPECIAL TESTS AND PROVISIONS – INCOME ELIGIBILITY & VERIFICATION SYSTEM

**Department of Health and Human Resources (DHHR)
CFDA Number 93.558**

The DHHR Bureau for Children and Families (BCF) Policy Unit will work with the BCF Division of Training to develop Blackboard Training for staff as a refresh for the Income Eligibility and Verification System. The anticipated date for completion of the training is May 31, 2021. The Policy Unit will also work with Optum and RAPIDS staff to ensure that sample data is correctly gathered by June 30, 2021. Finally, the Policy Unit will continue reviewing WV WORKS cases monthly to ensure accuracy and try to eliminate findings.

2020-027 SPECIAL TESTS AND PROVISIONS – PENALTY FOR REFUSAL TO WORK

**Department of Health and Human Resources (DHHR)
CFDA Number 93.558**

The DHHR Bureau for Children and Families (BCF) will meet with staff members at Optum and RAPIDS by June 30, 2021 to review requirements to ensure accuracy of populations; will review populations when pulled by Optum; will send monthly reminders regarding the information needed in the case record to document engagement in an activity; and will continue reviewing WV WORKS cases monthly to ensure accuracy and try to eliminate findings.

2020-028 SPECIAL TESTS AND PROVISIONS – PENALTY FOR FAILURE TO COMPLY WITH WORK VERIFICATION PLAN

**Department of Health and Human Resources (DHHR)
CFDA Number 93.558**

The DHHR Bureau for Children and Families (BCF) will meet quarterly with RAPIDS staff responsible for TANF Data Reporting to keep lines of communication open and offer technical assistance as



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needed. The BCF will also work with their Division of Training to develop a webinar on Hours of Participation Refresh for staff. The anticipated date for completion of the training is June 30, 2021. Finally, the BCF will continue reviewing WV WORKS cases monthly to ensure accuracy and try to eliminate findings.

2020-029 PERFORMANCE REPORTING **Department of Health and Human Resources (DHHR)** **CFDA Number 93.568**

The DHHR Bureau for Children and Families (BCF) Policy Unit and BCF Finance will have recurring meetings with staff at Optum and APPRISE (ACF, Office of Community Service, Information Management Provider) to ensure that the numbers reported on the LIHEAP Performance Data Form agree with the source documentation. The BCF will also attend webinars and virtual meetings to keep each party up to date on changes and guidelines. Finally, the BCF Policy Unit will work with BCF Finance to develop a monthly procedure to reconcile the number of payments and households to ensure populations for the LIHEAP report are correct. The anticipated completion date for the procedure is June 2021.

2020-030 REPORTING **Department of Health and Human Resources (DHHR)** **CFDA Number 93.658**

The DHHR concurs that the total number of children in placement was understated. However, this was a onetime reporting error and there was no financial impact resulting from the error. There is no need to enhance policies and procedures and there is not enough staff to take on more tasks. Instead, the DHHR will simply make a greater effort to enforce the policies and procedures already in place to prepare, update, and review the Form CB-496 prior to submission.



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2020-031 ALLOWABILITY AND ELIGIBILITY Department of Health and Human Resources (DHHR) CFDA Number 93.659

Management within the DHHR Bureau for Children and Families will provide emphasis, stressing accuracy, when coding expenditures to all staff to reinforce attention to the proper coding and supervisory processing of all expenditures. Management will also evaluate staff training and provide additional training as needed.

2020-032 ELIGIBILITY Department of Health and Human Resources (DHHR) CFDA Number 93.775, 93.777, 93.778, ARRA 93.778

The WV eligibility system does access the Federal Data Hub (FDH) for verification purposes and the DHHR Bureau for Medical Services (BMS) acknowledges that historical record of the FDH matches were not yet available in the case record for this review cycle. However, regardless of whether the FDH provides necessary verifications, additional electronic data sources may be used (e.g., Workforce WV Quarterly Wage Match, Social Security Administration Data Exchange, IPACT, etc.) to verify income, SSN, DDOB, and citizenship. If electronic sources do not provide necessary verifications, then additional paper documentation may be requested from the client. If the client provides a paper copy of paystubs, a birth certificate, or Social Security Card, then that is also an acceptable verification method for the data element and may be used to complete the eligibility determination.

Non-Financial

Social Security Number, Age (Date of Birth), and Citizenship/Immigration status are data elements that are required to be verified in the WV Verification Plan. Immigration status would be required only for individuals who do not attest to US citizenship. None of the cases indicated in the finding were non-citizens. Citizenship verification is required for all individuals who declare US citizenship, unless exempt. These data elements may be verified by the Federal Data Hub, another electronic data source, or by paper



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documentation. In most cases, self-attestation is not acceptable. Paper verifications provided by the client and maintained in the case file are also an acceptable verification method.

Financial

Earned and Unearned Income are data elements that are required to be verified in the WV Verification Plan. These data elements may be verified by the Federal Data Hub, another electronic data source, or by paper documentation. In most cases, self-attestation is not acceptable. Paper verifications provided by the client and maintained in the case file are also an acceptable verification method. For example, if a client provides paystubs for the application period in question, the eligibility caseworker is required to consider that information when making an eligibility determination.

Corrective Action

The dates of the eligibility determinations for the cases under review for the West Virginia Single Audit for the Year Ended June 30, 2020 were prior to implementation of the Corrective Action Plan for finding 2019-034 from the West Virginia Single Audit for the Year Ended June 30, 2019. Therefore, most of the corrective actions needed to ensure financial and non-financial information is verified, per policy, and documentation is maintained in the case record, will be the same as for year 2019. Specific dates for measures related to verification of financial data elements and verification of non-financial data elements is as follows:

1. Verification of Financial data elements (Income)

In February 2020, the Income verification field guidance was reissued by the Bureau for Children and Families (BCF) Training Program manager for review by all eligibility caseworkers.

In February 2020, the BMS requested an enhancement to the eligibility system (through the IT system vendor) to retain historical verification information obtained from the Federal Data Services Hub for financial and non-financial information. The BMS informed the BCF that until the enhancement in the eligibility system is implemented, the BMS will develop a new procedure (verification field



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guidance) requiring the eligibility caseworker to print a RAPIDS screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In February 2020, the BMS sent the BCF the new procedure requiring the eligibility Caseworker to print a RAPIDS screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In April 2020, the State's IT vendor and the DHHR Office of Management Information Services conducted testing with the Centers for Medicaid and Medicare Services to test the data used for income verification that is received from the Federal Data Hub ("Verify Annual Household Income and Family Size Service" and "Verify Current Household Income Service"). Analysis of the results was completed June 30, 2020 and necessary enhancements to the system were requested (improved Federal Data Hub income verification procedures and a new FDH verification of Medicare service).

In June 2020, the BCF Training Division implemented a Blackboard training course and quiz for eligibility Caseworkers regarding verification procedures, use of the Federal Data Services Hub, and documentation requirements needed to properly process and document income for Modified Adjusted Gross Income (MAGI) Medicaid during the enrollment process. A total of 753 people completed the course and quiz. The average quiz score was 90.69%

In December 2020, a reminder was sent to BCF regarding the procedure requiring the eligibility caseworker to print a RAPIDS screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In April 2021, an enhancement will be made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to retain a historical record of verification of *financial* information obtained from the Federal Data Services Hub. A new screen (FDH History) is designed in the eRAPIDS -> Web Inquiry -> FDH History to view the Federal Data Hub History Information. This enhancement was originally to be completed in October 2020 but was delayed.



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2.Verification of Non-verification of Non-Financial data elements (SSN, Citizenship, Age/DOB)

In September 2019, the BCF Training Division released a training blast to eligibility Caseworkers that covered coding citizenship and identity.

In July 2020, an enhancement was made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to automatically code the citizenship verification field when citizenship is verified by the Federal Data Hub.

In September 2020, the BMS Policy Unit provided guidance for distribution to BCF eligibility Caseworkers regarding the citizenship verification screen in RAPIDS.

In October 2020, an enhancement was made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to retain a historical record of verification of *non-financial* information obtained from the Federal Data Services Hub. A new screen (FDH History) is designed in the eRAPIDS -> Web Inquiry -> FDH History to view the Federal Data Hub History Information effective October 21, 2020.

In May 2021, the West Virginia Income Maintenance Manual will be reviewed and updated, as needed, to ensure all policies regarding verifying non-financial data elements (Social Security Number, Age (Date of Birth), and Citizenship/Immigration status) align with the WV Verification Plan on file with the Centers for Medicaid and Medicare Services. Furthermore, the Bureau for Children and Families Training and Corrective Action Team will develop Payment Accuracy Challenges for BCF eligibility Caseworkers to address non-financial data verification requirements for Social Security Number, Age (Date of Birth), and Citizenship/Immigration status. A report will be made to BCF Regional Directors to address training needs for individuals with scores of less than 70%.

ONGOING The BMS will continue to monitor the success of these corrective actions using the Medicaid Eligibility Quality Control (MEQC) audit, the Payment Error Rate Measurement (PERM) audit,



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and the ongoing Statewide Error Action Team (SEAT) meetings that are held between BMS Policy staff and BCF Field Operations staff.

2020-033 FINANCIAL REPORTING – INTERNAL CONTROL OVER REPORTING

Attorney General’s Office (AGO)

CFDA Number 93.775, 93.777, 93.778, ARRA 93.778

Effective January 2021, the AGO implemented enhanced controls over the reporting process. Both quarterly and annual reports will be reviewed and approved by an individual independent of the data entry process, who will sign and date an approval sheet before each such report is submitted to the federal government. This enhanced control will provide additional assurance that the amounts reported in the federal financial reports and supporting documentation are accurate.

2020-034 SPECIAL TESTS AND PROVISIONS – UTILIZATION CONTROL AND PROGRAM INTEGRITY

Department of Health and Human Resources (DHHR)

CFDA Number 93.775, 93.777, 93.778, ARRA 93.778

For the three cases that had no documentation of review and the one case that was opened in error and no case closure checklist/form completed, the DHHR Bureau for Medical Services (BMS) concurs. The BMS Office of Program Integrity (OPI) will retrain staff to ensure they know that case files are reviewed upon closure by a member of management separate from the caseworker and that the review is documented. The anticipated completion date for the training is May 30, 2021. Furthermore, during orientation, all new staff will receive training on case closure requirements and procedures.

For the 16 cases that had documentation of review, but the reviews were not completed timely, the BMS does not concur. Whether the cases were reviewed timely is a subjective opinion. The OPI policy does not contain specific timeframes on when a case must be reviewed, closed, and subject to final management review. Nonetheless, in response to the auditor’s recommendation, the OPI will clarify and revise its procedures to state that management review of closed cases



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must be performed within 60 calendar days of initial closing. The anticipated completion date for the new procedures is May 30, 2021.

For the 4 cases that did not effectuate payment in the required time after notice of overpayment, the BMS does not concur, as this too is a subjective opinion. There are no written policies that require a date for completion. Once a lien has been required by the OPI, it is the responsibility of BMS Finance to ensure that the lien has been satisfied. The OPI and BMS Finance will explore additional methods for following up on lien requests and will develop procedures that include specific timeframes. The anticipated completion date for the new procedures is May 30, 2021.

2020-035 INTERNAL CONTROLS OVER SPECIAL TESTS AND PROVISIONS INPATIENT HOSPITAL AND LONG-TERM CARE FACILITY AUDITS

**Department of Health and Human Resources (DHHR)
CFDA Number 93.775, 93.777, 93.778, ARRA 93.778**

For long-term care audits and inpatient hospital audits, the DHHR Office of Accountability and Management Reporting (OAMR) conducts some of the audits via internal staff while other audits are contracted to external entities. The five long-term care facility audits and two inpatient hospital audits noted in the condition section of the finding were conducted by contracted auditors or intermediaries. When audits were conducted by internal staff, the OAMR audit files/logs include documentation of a multi-level review and approval process. When audits are conducted by contractors, staff members within the OAMR still review and approve the audits upon receipt; however, the review and approval is not always documented in the audit logs. To address this condition, the OAMR will implement a procedure whereby the Audit Director will sign off on contracted audits or will otherwise document his or her review of the audit prior to issuance.



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**2020-036 SPECIAL TESTS AND PROVISIONS – MEDICAID FRAUD
CONTROL UNIT INTERNAL CONTROLS
Department of Health and Human Resources (DHHR)
CFDA Number 93.775, 93.777, 93.778, ARRA 93.778**

The Medicaid Fraud Control Unit (MFCU) Referral Form is used by the DHHR Bureau for Medical Services (BMS) Office of Quality and Program Integrity (OPI) to compile and present any information considered necessary to present a potential Medicaid fraud case to the MFCU whereby the MFCU could determine if a fraud investigation is warranted.

When the MFCU Referral Form was originally created, MFCU management expected the form to be completed by the OPI, sent to the MFCU for review of the contents, signed as accepted by MFCU management, and a copy returned to the OPI for their files. Over the last few years, the MFCU discontinued signing the form and returning it. Instead, the MFCU sent an email stating the case was accepted or not.

For the West Virginia Single Audit for the Year Ended June 30, 2019, attention was drawn to the final page of the MFCU Referral Form, which is the signature page. Since the MFCU no longer signed and returned the form, this resulted in finding 2019-033. In response to the finding, the signature section was removed from the referral form on April 2, 2020. The email received from the MFCU (either accepting or rejecting the case) is documentation of the acceptance or rejection of the case. On February 11, 2021, further modifications were made to the MFCU Referral Form. All OPI staff were informed of the changes and instructed to immediately begin using the new form and retain in the files for audit documentation.



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2020-037 SPECIAL TESTS AND PROVISIONS – MEDICAID NATIONAL CORRECT CODING INITIATIVE (NCCI) Department of Health and Human Resources (DHHR) CFDA Number 93.775, 93.777, 93.778, ARRA

The DHHR Bureau for Medical Services (BMS), Office of Program Integrity (OPI), will evaluate its policies and procedures and add a requirement to document evidence of its controls over the National Correct Coding Initiative compliance requirements. Such efforts and documentation will include the following:

- The OPI will maintain screenshot of the Medicaid Integrity Institute (MII) Regional Information Sharing System (RISSNET) NCCI files when downloaded or documentation from MII, if available, that identifies the NCCI files downloaded by the OPI: a screenshot of the NCCI files after uploaded to the folder shared with the Fiscal Agency (FA); an email of the notice to the FA that the files have been uploaded; an email from the FA that the quarterly files have been received and downloaded for testing; and an email from the FA when the NCCI files are loaded into production.
- The OPI will maintain a copy of the FA's Change Request documentation for the testing and implementation of the quarterly NCCI edits in the Medicaid Management Information System (MMIS), to include screenshots from Developmental testing (DEV), System Integration Testing (SIT), User Accepted Testing (UAT), and Production (PROD).
- The OPI will develop a process for the NCCI Coordinator to conduct one audit per calendar quarter, after the NCCI edits for that quarter are in production in the MMIS, to validate that a sample of new edits are active and deleted edits are no longer active.

By May 31, 2021, the Medicaid program will implement confidentiality agreements with contractors and subcontractors that meet the requirements of the current NCCI Technical Guidance Manual for Medicaid Services, Sections 7.1.1 and 7.1.2. The confidentiality



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agreements will include the elements specified in Section 7.1.2 of the NCCI Technical Guidance Manual for Medicaid Services.

A draft OPI Standard Operating Procedure has been prepared for the BMS NCCI process and will be updated by April 30, 2021, to include verbiage that addresses documenting evidence of controls over the National Correct Coding Initiative compliance requirements and the required confidentiality agreements. The BMS Policy Manual Chapter 800B will be revised by July 1, 2021 to include verbiage that references NCCI compliance.

The BMS will discuss [with the FA] the specific inclusion of NCCI within the next System and Organization Controls Report on the WV MMIS.

**2020-038 INTERNAL CONTROLS OVER SUBRECIPIENT MONITORING
Department of Health and Human Resources (DHHR)
CFDA 93.788, 93.575, 93.596, 93.558**

The Checklist of Required Activities for the Award and Monitoring of Grants within the DHHR is a tool to ensure [to the extent practicable] that DHHR spending units performed all the monitoring activities required per DHHR Policy 3801, Award and Monitoring of Subrecipient Grants, and other DHHR directives; documented performance of those activities; and accounted for completion of those activities. Policy 3801 provides extensive and comprehensive information regarding the DHHR’s overall approach to subrecipient monitoring and provides suggested activities regarding the general oversight, administration, and monitoring of grant funds. To consider the Checklist without reviewing Policy 3801 and understanding the DHHR agencywide monitoring strategy, which utilizes a centralized (uniform) and decentralized (discretionary) approach, can cause misperceptions because the policy is the driving force behind the Checklist.

DHHR Policy 3801, Award and Monitoring of Subrecipient Grants, sets forth the official methodology by which the DHHR satisfies its administrative, monitoring, and oversight responsibilities with respect



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to Federal subawards and subrecipient grant relationships. As discussed in Policy 3801, the primary strategy for the DHHR concerning its grants management and monitoring function is to ensure that a uniform and defined (standard) level of administrative oversight and monitoring activities occur throughout the grant cycle, regardless of the spending unit awarding the grant or the original source of Federal funds associated with the grant. Policy 3801 attempts to satisfy the DHHR's responsibility to provide reasonable assurance that subrecipients are administering Federal subawards in compliance with applicable grant terms and conditions, while also providing consideration to the wide array of funding sources, multitude of assistance programs, and unique characteristics of the individual spending units within the DHHR under which those awards are administered.

The DHHR emulates Federal administrative requirements when awarding grants and thus views monitoring as a continuous function, performed at various levels of the agency throughout the grant cycle and emphasizing a proactive approach and related improvement strategy. As such, Section 400 of Policy 3801 defines a variety of processes, procedures, and other activities that the DHHR mandates for all subawards and subrecipient grant relationships. The mandatory processes and procedures are outlined using an extended grant cycle, from pre-award through post-award, and provide the framework by which the DHHR administers its subawards and satisfies its Federal grants management and monitoring responsibilities. Performance of those activities throughout the grant cycle provides the DHHR with standardized and consistent oversight of the subaward process.

One of the advantages of a continuous approach to monitoring and assessing subrecipient performance throughout the grant cycle is that the spending unit can identify problematic areas and issues at an early stage and take necessary action before the end of the grant period, at which point it may be too late to take appropriate action. For example, if the spending unit becomes aware during the early stages of the grant cycle that a subrecipient is unable or unwilling to comply with the applicable terms and conditions attached to the subaward, the



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spending unit could begin to look for other, more-qualified organizations to undertake those responsibilities. The spending unit could then terminate the existing (problematic) subaward without disrupting any programs or necessary services.

Although the Checklist outlines the required monitoring activities, the spending unit still has much discretion regarding how they perform and document completion of those activities. For purposes of planning and coordination, there is a need to distinguish between completing the Checklist, which in essence is a processing function, versus performing the monitoring activities denoted within the Checklist, which is the actual work required per Federal and State rules, regulations, and directives.

As previously mentioned, the Checklist serves as a source of information and tool for spending units to utilize to ensure that the monitoring activities required per Section 400 of Policy 3801 (and other related DHHR directives) are accomplished. It is not the intent of the Checklist to replace or supersede the overall directives and detailed guidance provided within Policy 3801 or by the DHHR as a whole. The intent of the Checklist is to assist spending units in effectively ensuring compliance with the mandatory requirements prescribed by Policy 3801 and the DHHR as a whole.

The Checklist contains 24 subsections (with questions contained therein) that are categorized based on their likely occurrence throughout the typical grant cycle (e.g., pre-award, during the award, post-award) and correspond with the mandatory monitoring activities referenced in Section 400 of Policy 3801. The sequence by which the spending unit or other responsible parties within the DHHR perform those monitoring activities may vary or occur during multiple stages of the grant cycle, depending on the organizational structure of the spending unit, the circumstances surrounding the grant award, and the overall characteristics of the spending unit.

All spending units within the DHHR are required to utilize the Checklist, conduct the activities referenced within the Checklist, and maintain a completed and signed copy of the Checklist within the



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official grant file to document and certify for auditors, regulators, and reviewers internal and external to the DHHR that the spending unit completed all the mandatory monitoring activities. The underlying goal is to increase accountability throughout the DHHR and thus lessen the likelihood of a subrecipient committing fraudulent acts or otherwise administering a DHHR grant award in a manner that is inconsistent with the terms and conditions within the grant agreement, while also providing spending units with a comprehensive tool to assist with that endeavor.

There is a section at the end of the Checklist for authorized representatives of the spending unit to sign and certify that they have read the responses contained within the Checklist and that the responses are true, complete, and accurate to the best of their knowledge and believe. Therefore, the Checklist and the signed sworn statement at the end of the Checklist serve as a means for the spending unit to confirm at the end of the grant cycle that they performed all the monitoring activities as required during the grant cycle, or to explain any deviations from the required monitoring activities if necessary.

At the closeout stage of the grant award, the spending unit uploads the completed and signed Checklist for each of their grants into the applicable "Document Manager" section within the DHHR's subrecipient grants management system. The system prevents closeout of the grant until the Checklist is uploaded into the system. When the DHHR originally developed the Checklist, they considered whether it would be more efficient and effective to upload various parts of the Checklist during the grant instead of uploading the entire Checklist during the closeout stage. Due to the intricacies of creating a mechanism in the system that requires the Checklist to be completed at various stages of the monitoring process coupled with the fact that each spending unit within the DHHR is unique with respect to their programs, organizational structure, and staffing capabilities, which is often fluid given the turnover within the DHHR, the DHHR determined that preventing a grant from being closed in the system without the Checklist made the most sense. With consideration to finding 2020-038 and the auditor's concern that there is a lack of



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sufficient documentary evidence to prove that the controls are operating as designed, the DHHR will reconsider whether it would be prudent and practicable to break out the Checklist into multiple parts and finalize the various parts during various stages of the grant instead of finalizing the entire Checklist during closeout.

With respect to the auditor's statement that documentation of the subrecipient monitoring procedures is not designed to ensure the timely review of each significant phase of monitoring, the DHHR understands the auditor's concern but would like to point out that there are many controls within the DHHR beyond the Checklist. Some of those controls are embedded within the DHHR's subrecipient grants management system. Using the pre-award stage of the grant as an example, DHHR Policy 3801 declares the DHHR grant agreement to be the official document/instrument by which the DHHR negotiates the terms and conditions attached to the grant award and related program. The grant agreement serves as one of the DHHR's most important tools for monitoring subrecipient activities because it provides an overall basis and comprehensive framework for administering the subaward; documents the flow-through of information and responsibilities for Federal grant funds; describes the services or benefits that the subrecipient must provide when administering the program; and outlines the various rules and regulations that the subrecipient must comply with as a condition of receiving the grant award. Accordingly, before awarding a grant, the spending unit is responsible for negotiating and preparing a formal grant agreement document with the proposed subrecipient organization. In no case shall grant funds be committed, awarded, or otherwise distributed to any organization without an approved and signed grant agreement. Upon review, approval, and authorization of the draft grant agreement by the spending unit contact person, the spending unit's office director, the spending unit's finance officer, and the bureau commissioner (or designee), the spending unit processes the draft agreement through the grants management system. This addresses the following pre-award requirements:

- Scope of work (i.e., ensuring the scope of work complies with the DHHR's written directive for preparing a statement of work").



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- Budget and cost analysis (i.e., ensuring that the budget complies with the DHHR's written directive for preparing the line-item budget).
- Payment methodology (e.g., ensuring the subrecipient is aware of its responsibilities for appropriate cash management).
- Program specific reporting requirements (i.e., to ensure the requirements contain the necessary parameters to compare the subrecipient's actual accomplishments with the goals and objectives established for the period).
- Special terms and conditions if deemed necessary.
- Subawards from the subrecipient to a lower-tier subrecipient (e.g., to ensure the subrecipient is aware of its requirement to obtain prior approval from the DHHR before subawarding the funds to a lower-tier organization; and to ensure the subrecipient is aware that by subawarding Federal funds, the subrecipient would assume dual roles and responsibilities as both a subrecipient organization and as a pass-through entity under Federal administrative requirements).
- Subrecipient contact persons (i.e., to denote whether the subrecipient has different contact persons for different areas of responsibility such as those related to programmatic, financial, and legal matters).
- Award identification (e.g., source of funds, CFDA program and title, award name and number, award year, name of the Federal awarding agency, etc.).
- Authorizing statute (i.e., to ensure the subrecipient is aware of the authorizing statute establishing the program and describing the program's purpose and objectives, eligibility requirements, matching requirements, and other responsibilities vital for effective administration of the subaward).
- Administrative regulations and cost principles (i.e., to ensure the subrecipient is aware of the overall administrative requirements and cost principles that are applicable to the subaward).
- Indirect costs (e.g., to ensure the subrecipient is aware of the Federal regulations surrounding indirect costs and the procedures established by the DHHR for charging indirect costs to the grant award).



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- Program regulations and guidelines that are applicable to the grant award and related program.
- Public policy requirements (i.e., to ensure the subrecipient is aware of the public policy requirements that are applicable to the grant and related program).
- Retention and access to records (i.e., to ensure the subrecipient is aware of the record retention requirements associated with the subaward and to ensure the subrecipient is aware of its obligation to permit the DHHR, auditors, and/or other duly authorized representatives to have timely and unrestricted access to the subrecipient's records and personnel).
- Period of availability of funds (i.e., to ensure the grant agreement specifies a period of performance during which the subrecipient may use the award funds and to ensure the subrecipient is aware that costs incurred prior to the effective date of the award are unallowable except with the prior approval of the DHHR and/or the Federal awarding agency).

As previously indicated, all the activities bulleted above are part of the pre-award stage of the grant. The activities are documented via the grant agreement. The grant agreement flows through multiple levels of authority at the spending unit level and within the DHHR's centralized Office of Grants Management and Office of Accounting. As the grant agreement flows through those channels, it is reviewed and approved by authorized staff. Documentation of the flow and approvals are maintained within the DHHR grants management system. Therefore, there is no need to break out that part of the Checklist into a separate Checklist for completion during the pre-award stage of the grant. Instead, the DHHR will consider removing those pre-award items from the Checklist.

The remaining sections of the Checklist relate to the following monitoring activities: Monitoring Evaluation Questionnaire; Reviewing Financial (Expenditure) Reports; Reviewing Program (Progress) Reports; Prior Approvals; Sanctions; Continuous Funding – Long Term Funding; Independent Audits (2 CFR 200 Subpart F); Sworn Statements of Expenditures (West Virginia Code §12-4-14); Closeout of an Award; Follow-Up; Documentation; and Grant Files. It should be



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

noted though that while many of those activities are performed during the award, the spending unit cannot sign off on those activities until the closeout stage. As an example, reviewing expenditure reports does indeed occur during the award. However, the spending unit cannot confirm that the subrecipient submitted all the reports within prescribed timeframes until the spending unit receives the final expenditure report during the closeout stage and reconciles the reported expenditures against the grant payments and other documents on file at the spending unit.

As the auditors mentioned expenditure reports within their recommendation for the finding, it is important to note that while Policy 3801 indicates that a continuous focus of the spending unit should be to verify, document, and track the expenditure reports and other information required of the subrecipient in relation to their financial administration of the subaward, there are no specific procedures that the spending unit must follow when performing such activities. Instead, the policy says that the spending unit shall maintain internal controls sufficient to ensure that the subrecipient submits financial reports within prescribed timeframes and that the information is complete, accurate, and presented in the prescribed format if applicable. Within a reasonable time after receipt, the spending unit shall perform some type of desk review, evaluation, or analysis of every invoice, request for payment, reconciliation, statement of expenditures, or other financial report submitted by the subrecipient. Although Policy 3801 does not dictate the procedures, it provides guidance regarding what the procedures should entail. Furthermore, the policy says that to provide consistent reporting and greater assurance that grant funds are spent appropriately, the spending unit should consider developing standard formats, documents, or specific criteria to be included within financial (expenditure) reports and should consider developing standard checklists or other procedures for documenting the desk review process. A sample form that may be utilized for that purposes is attached to the policy. With consideration to the auditor's recommendation to maintain sufficient documentation to evidence its internal controls over expenditure reports, it is important to note that the DHHR grants management system provides documentation that



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

the spending units approved the expenditure reports, but it does not provide documentation that the spending units reviewed the expenditure reports prior to approving. As such, the DHHR Office of Internal Control and Policy Development will reach out to DHHR spending units prior to the start of fieldwork for the West Virginia Single Audit for the Year Ended June 30, 2021 and will request a detailed description of the controls that the spending units utilize to ensure that subrecipients submit financial reports within prescribed timeframes and to ensure that the information is complete, accurate, and presented in the prescribed format. Otherwise, the Office of Internal Control and Policy Development will encourage the spending units to offer more information and documentation to the auditors during fieldwork. If time permits, the Office of Internal Control and Policy Development will also revisit Policy 3801 in full and will reconsider the DHHR's complete array of subrecipient monitoring objectives, strategies, approaches, requirements, activities, tools, techniques, and overall controls.

2020-039 ALLOWABILITY OF EXPENDITURES **Department of Health and Human Resources (DHHR)** **CFDA 93.788**

The three payments in question were contract payments from the DHHR to a component unit (a public university). When the DHHR received the Opioid STR Grant, the university agreed to perform various services for the DHHR as those services were necessary for the DHHR to achieve certain objectives of the grant. The university formally received the funds as a contractor, the contract of which was issued in accordance with State laws and procedures for procurement. While the university was aware that these were Federal expenditures, the DHHR did not formally reference the Federal program requirements in the contractual agreement. The DHHR monitored the agreement as a contract, meaning that they made sure the contract deliverables were acceptable prior to making payments to the university but did not request financial reports and supporting documentation from the university during the period of the contract. When negotiating future agreements with universities and other component units of the State of West Virginia (i.e., external to DHHR),



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

the DHHR will formally communicate to the component unit the requirement to adhere to the standards for financial and program management as well as other requirements contained within 2 CFR Part 200 (“Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”). The DHHR also recognizes that a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The DHHR will consider enhancing its controls surrounding contractor determinations to include the same types of controls already in place for subrecipient grant determinations.

For the questioned costs, the DHHR hopes that the Federal awarding agency can allow the costs since the agreement between the DHHR and the university did indeed cast the university in the role of an independent contractor and since the university’s services and related deliverables were indeed instrumental for achieving certain objectives of the STR Grant. Aside from those administrative facts, there are programmatic factors to consider. Using the participant support costs as an example, while not separately identified, the costs were included within the original budget and justification document submitted to the Federal awarding agency as part of the approved application package. Those costs were budgeted and included within the \$4,000,000 “Comprehensive, cross-disciplinary professional education and mentoring initiative.” The participant support costs in question were purchased by the university on July 31, 2019 when it was the general understanding of the DHHR and the university that those costs were allowable and approved by the Federal awarding agency. With the release of the Notice of Award for Year Two funding, on September 3, 2019, the Federal awarding agency issued new guidance through a “Special Term” that prohibited the use of funds for participant support costs. The DHHR interpreted the guidance to be applicable for Year Two funds only, meaning that there were no concerns with using previous funding for participant support costs. The DHHR reached out to the Federal awarding agency to discuss the Special Term and the use of previous funds for participant support costs. Upon discussing the matter with the Federal awarding agency, the DHHR informed the



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
Financial Accounting & Reporting Section
2101 Washington Street, East
Charleston, WV 25305

Dave Mullins
Acting Director of Finance
(304) 414-9040

Betsy Chapman
Single Audit Coordinator
(304) 414-9072

CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2020

university that participant support costs were no longer allowable. However, there was never any indication that the university's previous use of funding for participant support costs should be disallowed.

The DHHR understands that the Federal awarding agency might need additional details and clarity to arrive at a management decision regarding the questioned costs. Accordingly, if the Federal awarding agency cannot allow the costs with consideration to the information contained herein, the DHHR respectfully requests that the Federal awarding agency reach out to the DHHR to discuss the costs in detail prior to issuing a management decision.

2020-040 SUBRECIPIENT MONITORING Division of Emergency Management (DEM) CFDA Number 97.036

DEM implemented a policy to send letters to applicants once their project has been obligated in the Emergency Management Mission Integrated Environment and prior to making payments. DEM has added the required information from 2 CFR 200.331 to the subgrant agreement. In addition, the subgrant agreement or the State Request for Public Assistance has been added to the DEM's grants management software process in EM Grants. Grant awards will not progress through the workflow for payment until the subgrant agreement has been signed and agreed to by each subrecipient. EM Grants is being implemented in February 2021 on a step basis for each FEMA Disaster.

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



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

- 2019-001 PERIOD OF PERFORMANCE**
Department of Health and Human Resources (DHHR)
CFDA Number 10.557
Resolved
- Corrective action taken for FY 2020.
- 2019-002 MATCHING**
National Guard Military Operations and Maintenance (O&M)
CFDA Number 12.401
Resolved
- Corrective action taken for FY 2020.
- 2019-003 PERIOD OF PERFORMANCE**
National Guard Military Operations and Maintenance (O&M)
CFDA Number 12.401
Resolved
- Corrective action taken for FY 2020.
- 2019-004 ACTIVITIES ALLOWED OR UNALLOWED; ALLOWABLE COSTS/COST PRINCIPLES; AND PERIOD OF PERFORMANCE**
INTERNAL CONTROLS
National Guard Military Operations and Maintenance (O&M)
CFDA Number 12.401
Resolved
- Corrective action taken for FY 2020.
- 2019-005 INTERNAL CONTROLS OVER REPORTING**
West Virginia Community Advancement and Development Office (WV CAD)
CFDA Number 14.228
Resolved
- Corrective action taken for FY 2020.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

2019-006 ELIGIBILITY

**Workforce West Virginia (WWV)
CFDA Number 17.225
Resolved**

Corrective action taken for FY 2020.

**2019-007 MISSING SUPPORTING DOCUMENTATION FOR ACTIVITIES
ALLOWED OR UNALLOWED; ALLOWABLE COSTS/COST
PRINCIPLES; AND ELIGIBILITY**

**Workforce West Virginia (WWV)
CFDA Number 17.225
Resolved**

Corrective action taken for FY 2020.

2019-008 REPORTING

**Workforce West Virginia (WWV)
CFDA Number 17.225
Resolved**

Corrective action taken for FY 2020.

**2019-009 SPECIAL TESTS AND PROVISIONS – MATCH WITH IRS 940
FUTA TAX FORM**

**Workforce West Virginia (WWV)
CFDA Number 17.225
Partially Resolved**

WWV will perform a sampling of matching documents as it relates to 940 FUTA tax forms by June 2021 to ensure that policies and procedures involving internal control are being enforced. See current year finding 2020-006 and the related corrective action plan.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**2019-010 SPECIAL TESTS AND PROVISIONS – UNEMPLOYMENT
INSURANCE PROGRAM INTEGRITY – OVERPAYMENTS
Workforce West Virginia (WWV)
CFDA Number 17.225
Resolved**

Corrective action taken for FY 2020.

**2019-011 FEDERAL HIGHWAYS ADMINISTRATION PERIOD OF
PERFORMANCE
Division of Highways (DOH)
CFDA Number 20.205, 20.219, 20.224, 23.003
Resolved**

Corrective action taken for FY 2020.

**2019-012 WAGE RATE REQUIREMENTS
Division of Highways (DOH)
CFDA Number 20.205, 20.219, 20.224, 23.003
Resolved**

Corrective action taken for FY 2020.

**2019-013 SPECIAL TESTS AND PROVISIONS – UTILITIES -
INCORRECT POPULATION
Division of Highways (DOH)
CFDA Number 20.205, 20.219, 20.224, 23.003
Resolved**

Corrective action taken for FY 2020.

**2019-014 ADMINISTRATION OF ENGINEERING AND DESIGN-
RELATED SERVICE CONTRACTS
Division of Highways (DOH)
CFDA Number 20.205, 20.219, 20.224, 23.003
Resolved**

Corrective action taken for FY 2020.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

2019-015 INTERNAL CONTROL OVER REPORTING
West Virginia University at Parkersburg, Mountwest Community and Technical College, and New River Community and Technical College
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925
Partially Resolved

While Mountwest Community and Technical College identified in the prior year finding resolved this matter, West Virginia University at Parkersburg, Pierpont Community and Technical College, Fairmont State University, Bluefield State College, and New River Community and Technical College 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 institution. See current year finding 2020-011 and the related corrective action plan.

West Virginia University at Parkersburg (WVU-P) response

Effective July 2020, all transmission files to Common Origination and Disbursement (COD) are reviewed for rejects or corrections. If there are no rejects or corrections, then no further action is necessary, and the file is moved to a folder. If any rejects or corrections are identified, those errors are resolved within the week of disbursement and re-transmitted to COD. All transmission files are maintained in a folder by aid year. Pell current funding levels (CFL) are not increased unless the school sends disbursement files, which must be approved on COD, prior to an increase in the CFL. The Business Office does a drawdown of funds paid to students the day following financial aid disbursement in Banner. The Business Office uses reports to adjust drawdowns as needed. The Financial Aid Office and the Business Office work in tandem to manage Pell disbursement and drawdown and the Financial Aid Office is in daily communication with COD. The Financial Aid Director maintains contact regarding Pell transmissions with the Business Office.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

WVU-P developed and implemented these PELL reconciliation policies and procedures to ensure all required documentation is retained and available to the auditors and will comply with FSA required Pell reconciliation procedures.

Pierpont Community and Technical College (PCTC) response

PCTC's Financial Aid staff will take screen captures of both Banner and Common Origination and Disbursement (COD) for a monthly reconciliation of the Federal Pell Grant program. Screen captures will be printed, and comparisons will be made. All necessary adjustments will be performed to student accounts until balanced. Financial aid staff will "sign off" as an approval on reconciliation documentation and provide to the Finance Department for their review and approval. The completed monthly reconciliation information will be retained in the financial aid processor's office. This process was implemented in July 2020 and ensures timely processing of all federal Pell grants to students as well as updates to the COD system.

Fairmont State University (FSU) response

Effective February 2021, FSU reconciles Pell multiple times a month depending on the time of year and the activity through the grant program. FSU has documented the process and maintained documentation of the students involved in the reconciliation. Due to the reconciliation taking place in Banner and Common Origination and Disbursement (COD), the timing of such reconciliation is not always the same day. FSU will be implementing a reconciliation process for Pell whereby the data from the Banner system and the COD system will be documented once the student records are corrected in Banner and the student records have been updated in the COD system.

Bluefield State College (BSC) response

Effective July 2021, BSC will implement a review process for the Pell reconciliation. The accounting office will provide disbursement reports and will compare to the Pell reports. The reports will be reviewed for accuracy and the financial aid manager will be notified of any discrepancies and decide on corrections. Once the corrections are made, the report will be reviewed and approved to ensure accuracy.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

New River Community and Technical College (NRCTC) response

A report is run from Banner that will create a spreadsheet comparing financial aid awards, student accounts and Common Origination and Disbursement (COD) amounts which are the result of Pell files sent and received from COD. Pell files are created in Banner and sent to COD, processed and downloaded back into Banner. Pell files are transmitted two or more times a month depending on the time of the academic year. Each file is reviewed and reconciled for any discrepancies. At the end of each month, a final report is reconciled, amounts are reconciled with COD and Banner. Effective February 2020, the monthly reconciliation was reviewed and signed by both the Director of Financial Aid and Financial Aid Manager. Effective August 2020, the monthly reconciliation was reviewed by the Director of Financial Aid and the Interim Controller. Prior to February 2020, the Director of Financial Aid was completing the monthly reconciliation. Two months were reviewed, August 2019 and March 2020. August did not have the required signatures because management was unaware of the two-signature compliance change. NRCTC implemented procedures in January 2021 to ensure compliance.

- 2019-016 SPECIAL TESTS AND PROVISIONS – VERIFICATION
Bluefield State College, Marshall University, West Virginia
University at Parkersburg, Shepherd University, and West
Liberty University
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
93.264, 93.342, 93.364, 93.925
Partially Resolved**

While Bluefield State College, Marshall University, Shepherd University, and West Liberty University identified in the prior year finding resolved this matter, West Virginia University at Parkersburg has 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 institution. See current year finding 2020-012 and the related corrective action plan.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

West Virginia University at Parkersburg (WVU-P) response

During the 2019-2020 academic year, WVU-P invested in a software solution from a third-party vendor, CampusLogic, to assist with the collection of verification documentation and to improve the efficiency and accuracy of documentation for the verification process. Beginning July 2020, each document is signed off as reviewed and approved or rejected by a staff member. When the files are reviewed, the review is not considered complete until the corrections made have arrived back approved from the U.S. Department of Education. At that point, the corrections are loaded into both CampusLogic and Banner. The corrections are then reviewed in a side-by-side comparison with the original data that the student provided.

2019-017 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO 2018-011 OR ON BEHALF OF STUDENTS

**West Virginia State University, Shepherd University, and West Virginia University at Parkersburg
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
93.264, 93.342, 93.364, 93.925
Partially Resolved**

While West Virginia State University, Shepherd University, and West Virginia University at Parkersburg identified in the prior year finding resolved this matter, Bluefield State College 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 institution. See current year finding 2020-013 and the related corrective action plan.

West Virginia State University (WVSU) response Resolved

Corrective action taken at this institution for FY 2020.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Shepherd University (Shepherd) response Resolved

Corrective action taken at this institution for FY 2020.

West Virginia University at Parkersburg (WVU-P) response Resolved

Corrective action taken at this institution for FY 2020.

Bluefield State College (BSC) response

Effective February 2021, BSC will begin sending disbursement disclosure notices (Right to Cancel) to any student or parent with loans via email. Students will then have two weeks from date of email to cancel any applicable loans and will have to provide proper identification. BSC will maintain all records as documented evidence of compliance with federal guidelines.

2019-018 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS

West Virginia University, Marshall University, West Liberty University, Bluefield State College, West Virginia School of Osteopathic Medicine, West Virginia Northern Community and Technical College, Fairmont State University, and Pierpont Community and Technical College

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

Partially Resolved

While West Virginia University, Marshall University, West Virginia School of Osteopathic Medicine, and West Virginia Northern Community and Technical College identified in the prior year finding resolved this matter, Blueidge Community and Technical College, West Liberty University, Bluefield State College, New River Community and Technical College, Pierpont Community and Technical College, and Fairmont State University had a finding in the current year. This finding is only partially resolved because each



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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 2020-014 and the related corrective action plans.

West Virginia University (WVU) response Resolved

Corrective action taken at this institution for FY 2020.

Marshall University (Marshall) response Resolved

Corrective action taken at this institution for FY 2020.

West Virginia School of Osteopathic Medicine (WVSOM) response Resolved

Corrective action taken at this institution for FY 2020.

West Virginia Northern Community and Technical College (WVNCC) response Resolved

Corrective action taken at this institution for FY 2020.

BlueRidge Community and Technical College (BRCTC) response

Effective November 2020, BRCTC's Financial Aid Office provides notifications of student returns to the Finance Department. In order to strengthen this control and ensure greater accuracy, the Comptroller or other designated Finance Department staff and Financial Aid Office staff review and acknowledge that funds have been returned accurately.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

West Liberty University (WLU) response

Effective April 2020, the Return of Title IV Funds (R2T4) process was moved from the Business Office and is now completely handled by the Financial Aid Office. Reports are run every Friday by the Director. Required R2T4s are completed in the Common Origination and Disbursement (COD) system. Withdraw dates within Banner are verified by the Director against forms completed by students and aid is reduced within Banner. R2T4s are checked by Assistant Director and Title IV Aid reports are sent to COD via EdConnect.

Bluefield State College (BSC) response

Effective August 2021, BSU will implement internal controls to perform Return of Title IV withdrawal and calculations ensuring records comply and are returned within the 45-day timeframe. Permit to withdraw forms will be completed and reviewed with all signatures and reviewed by the Financial Aid Manager.

New River Community and Technical College (NRCTC) response

Effective August 2020, NRCTC's Registrar Office determines date of withdrawal and calculates the return of Title IV funds. Documentation will be sent to the Financial Aid Office where the date will be verified and calculation will be performed on the Common Origination and Disbursement (COD) system. Once complete, all documentation will be sent to the Business Office. Calculated amounts will be verified and signed to ensure funds are returned timely.

Pierpont Community and Technical College (PCTC) response

PCTC's financial aid staff will complete a Return of Title IV Funds (R2T4) for all students, including those outside the refund period to ensure adequate evidence that no federal funds were required to be returned for students who withdrew or received all "F"s and failed to withdraw even after 60% of the term was completed by each. This will enhance the existing policies and procedures for students inside the refund period and will now be completed timely. This process was implemented in November 2020.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Fairmont State University (FSU) response

FSU will add controls at each step of the Return of Title IV Funds (R2T4) process to ensure the accuracy of the data. Those controls will consist of, but not limited to, verifying the accuracy of the withdraw date from the RZRWDRL process; verifying the accuracy of the withdraw date provided on the spreadsheet provided to Financial Aid prior to the R2T4 calculation being completed; and each step will be signed off by the reviewer. These additional controls were put in place in September 2020.

- 2019-019 SPECIAL TESTS AND PROVISIONS – ENROLLMENT**
- 2018-012 REPORTING**
- 2017-006 West Virginia State University, West Liberty University,**
- 2016-008 Marshall University, Mountwest Community and Technical**
- 2015-015 College, West Virginia University, West Virginia University at**
- 2014-011 Parkersburg, Pierpont Community and Technical College,**
- 2013-028 Fairmont State University, Bluefield State College, and**
- 2012-43 Concord University**
- 2012-47 CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,**
- 2012-49 93.264, 93.342, 93.364, 93.925**
- 2011-22 Partially Resolved**

While Marshall University identified in the prior year finding resolved this matter, New River Community and Technical College, West Liberty University, Bluefield State College, Pierpont Community and Technical College, West Virginia State University, Mountwest Community and Technical College, Concord University, Fairmont State University and West Virginia 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 2020-015 and the related corrective action plans.

**Marshall University (Marshall) response
 Resolved**

Corrective action taken at this institution for FY 2020.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

West Virginia University at Parkersburg (WVU-P) response

No compliance issue of incorrect or late enrollment reporting was identified during the audit. Currently, there are three staff members involved in the enrollment reporting process; the Associate Registrar, the Registrar, and the Director of Financial Aid. The Associate Registrar extracts the enrollment reports from Banner and submits those reports to the Registrar for review. In the Registrar's absence, the FA Director can perform the review of the report. All three parties are included in the communication chain for these reviews. The Registrar reviews the report for accuracy, and then confirms that the report can be sent to the National Student Clearinghouse for processing. Sometimes we receive errors back, and the Associate Registrar reviews and corrects all error issues, with the approval again of the Registrar. All communication throughout the whole process, including the confirmations from NSC, are shared with all three parties (Registrar, Assoc. Registrar, Director of F.A.).

To address the control issue identified, WVU-P has created an additional control within the withdrawal process effective with the Spring 2021 semester in which the student's last date of attendance is verified with the faculty member and confirmed in the student's record in Banner before their withdrawal from a course or term is processed. This confirmation step in the withdrawal process will eliminate any errors in enrollment reporting for withdrawn students, and also eliminate errors in reporting for changes in enrollment status (full-time to part-time, etc). WVU-P is in the process of creating additional steps in the process for a timely post-reporting review of NSLDS records to confirm that the enrollment that was reported to NSC was reported accurately and timely to NSLDS.

WVU-P believes the measures detailed above are sufficient and provide the proper level of internal controls. The NSLDS review process is being finalized and will be fully implemented for the Summer 2021 term, using the Spring 2021 semester to finalize the procedures.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

New River Community and Technical College (NRCTC) response

NRCTC's Registrar's office will implement policies and procedures that will request the error report from IT and will correct the errors on the report. The Registrar's office will request IT to rerun the error report to ensure all errors have been corrected. The Registrar's office will then request IT to send the enrollment report to submit it to the clearinghouse by the due date and will correct any errors from the clearinghouse.

The Registrar's office will run a random selection of 20 students from NSLDS to make sure students are correct in the clearinghouse, which will be done at least 50 days out from the time students were initially reported. IT and the Registrar's office will sign off on these processes when the report is run, when the report is reviewed, and once the report is sent. These policies and procedures will be effective in August 2021.

West Liberty University (WLU) response

Effective August 2020, WLU has updated reporting for all enrolled, withdrawn, and graduated students to within 20 days to meet all federal requirements. Before reports are sent to the Clearinghouse, the Director of Financial Aid checks for accuracy and completeness with an internal review of the files.

Bluefield State College (BSC) response

Effective February 2021, BSC has implemented additional policies and procedures to verify the uploaded number of students with the enrollment in Banner and reconcile the two reports. BSC will then randomly select students to check enrollment, number of hours of enrollment, and check the withdrawal and graduation dates. Corrections will be made on the hard copy of the enrollment reports to ensure accuracy.

Pierpont Community and Technical College (PCTC) response

PCTC's Registrar staff will separate the withdrawal and review process between three separate employees. One employee will complete the withdrawal process, one employee will complete the file submission



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

process to the National Student Clearinghouse (NSC), and then a third employee will complete the review of the NSC file submission. This review will include a random selection of 20 students within each population and those students will be manually reviewed in Banner to ensure accuracy of the enrollment status that was generated via a report to submit to NSC. In addition, the Registrar staff will sign off on said tracking document and share the document with the financial aid staff. The financial aid staff will then review a separate selection of 20 students from each submission in NSLDS to ensure accuracy of the reported enrollment status. Should any discrepancies be found, the Registrar's office and Financial Aid office will work collectively to resolve each. Implemented in January 2021, this process applies to all submissions to the NSC and will ensure accuracy.

West Virginia State University (WVSU) response

Beginning February 2021, the Division of Enrollment Management, through the Office of University Registrar, will implement policies and procedures to review, correct and report student data to the National Students Loan Data System (NSLDS) in a timely manner. An initial review will be performed four weeks after the start of each semester with monthly reviews performed on the fifth day of each month until the end of the semester. An end of term review will be completed three weeks after the end of the semester and the graduate file review will be performed within 45 days after graduation. Inter-office reviews will be done both 20 days and 10 days prior to submission to the Student Clearinghouse. Once the inter-office review phase has been completed, the VP Enrollment Management, Associated Registrar, Registrar and Director of Financial Aid will sign-off and approve the report certifying all checks and balances have been followed. Once the student data has been submitted to the Student Clearinghouse, Registration will receive a report of any errors that need to be corrected. Corrections will be made by Registrar Office staff within 10 days of receiving the error report.

Mountwest Community and Technical College (MCTC) response

Beginning February 2021, MCTC will create a paper record for audit purposes by sampling 20 students from each enrollment report before



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

it is sent to National Student Clearinghouse (NSC) to verify the accuracy of enrollment status and the timeliness of the enrollment status. Each student sample will be reviewed and initialed by two reviewers. Further, MCTC will sample 20 students from NSLDS, within 60 days of enrollment submission to NSC, to verify that NSC did accurately and timely report the enrollment status of the sampled students to NSLDS. Each NSLDS sample will be reviewed and initialed by two staff persons. Each sample from the monthly enrollment reporting and NSLDS will be maintained in the Registrar's Office.

Concord University (Concord) response

Concord's Registrar plans to increase internal controls for enrollment reporting to the Clearinghouse effective January 2021. The Registrar's Office will continue to spot check the printed NSC extract against Banner to ensure accuracy of the enrollment status for students reported. Concord will be expanding the current process by creating a memo which includes date and time of each extraction report, the names of students spot-checked, page number of the report, and date and time of each submission after spot-checking is completed. The Program Assistant and the Registrar will sign and date the memo documenting the review and approval process.

Fairmont State University (FSU) response

FSU will add additional controls to verify the accuracy of the data submission of the enrollment reporting files to the Clearinghouse beginning February 2021.

West Virginia University (WVU) response

WVU's Office of the University Registrar (OUR) has verified each enrollment file sent to the National Student Clearinghouse (NSC) every 30 days. The Enrollment Reporting procedure includes steps for comparing and verifying the NSC data file and the Argos data file the OUR office pulls. Argos is a reporting tool used by OUR to pull student transaction data from Banner. If any discrepancies are discovered, the issue is identified and corrected. The OUR will run the Argos file against the NSC file by using ACCESS until all discrepancies have been resolved and the comparison files match. Beginning January



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2020, all data files will be prepared by the Associate Registrar and reviewed and signed by the Assistant Registrar. All NSC communication will be saved and retained for verification purposes. The process is conducted for every enrollment file submitted to the NSC.

2019-020 SPECIAL TESTS AND PROVISIONS – BORROWER DATA
2018-013 TRANSMISSION AND RECONCILIATION
2017-007 West Virginia University at Parkersburg, Bluefield State
2016-006 College, and Pierpont Community and Technical College
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
93.264, 93.342, 93.364, 93.925
Partially Resolved

While Pierpont Community and Technical College identified in the prior year finding resolved this matter, Bluefield State College and West Virginia University at Parkersburg 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 2020-016 and the related corrective action plans.

Pierpont Community and Technical College (PCTC) response
Resolved

Corrective action taken at this institution for FY 2020.

Bluefield State College (BSC) response

Effective August 2020, BSC will reconcile Common Origination and Disbursement (COD) records and Banner monthly within the timeframe of 45 days by the Financial Aid Manager and/or the Chief Enrollment Officer. The reconciliations will be reviewed, signed, and maintained to help facilitate audit procedures.

West Virginia University at Parkersburg (WVU-P) response

WVU-P performs a proper reconciliation of the Direct Loan Program to the amounts disbursed to students in Banner. However, the



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reconciliation process was not documented. Written policies and procedures were developed in July 2019 to ensure compliance with this requirement. WVU-P Financial Aid officials have implemented the policies and procedures for the Direct Loan reconciliation process, including the usage of the SAS reports in a monthly reconciliation process. These policies and procedures were effective beginning August 2020 and have been followed for the full academic year. WVU-P will also continue to utilize the Direct Loan Reconciliation participant guide provided by the Department of Education to ensure that policies and procedures are compliant and that proper documentation is maintained.

**2019-021 SPECIAL TESTS AND PROVISIONS – PROGRAM ELIGIBILITY
INTERNAL CONTROLS**

**West Virginia University at Parkersburg and Marshall
University**

**CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
93.264, 93.342, 93.364, 93.925**

Resolved

Corrective action taken at this institution for FY 2020

**2019-022 SPECIAL TESTS AND PROVISIONS – GRAMM-LEACH-BLILEY
ACT (GLBA) – STUDENT INFORMATION SECURITY**

**Marshall University, Mountwest Community and Technical
College, West Virginia State University, West Virginia
University at Parkersburg, BlueRidge Community and
Technical College, Shepherd University, West Virginia
Northern Community and Technical College, West Liberty
University, Fairmont State University, Pierpont Community
and Technical College, Bluefield State College, Concord
University, West Virginia School of Osteopathic Medicine, New
River Community and Technical College, and West Virginia
University**

**CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
93.264, 93.342, 93.364, 93.925**

Partially Resolved



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

While Mountwest Community and Technical College and Blueridge Community and Technical College identified in the prior year finding resolved this matter, West Virginia University, West Virginia State University, Marshall University, West Virginia University at Parkersburg, Pierpont Community and Technical College, Fairmont State University, New River Community and Technical College, Shepherd University, West Virginia Northern Community and Technical College, Bluefield State College, West Virginia School of Osteopathic Medicine, Concord University and West Liberty 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 2020-018 and the related corrective action plans.

Mountwest Community and Technical College (MCTC) response Resolved

Corrective action taken at this institution for FY 2020.

BlueRidge Community and Technical College (BCTC) response Resolved

Corrective action taken at this institution for FY 2020.

West Virginia University (WVU) response

In 2018, WVU established an agreement with a third-party vendor to conduct annual risk assessments for GLBA compliance. An initial assessment was conducted in March 2019. A second assessment was scheduled to be conducted in March 2020, but was canceled by the vendor due to COVID-19. In June 2020, WVU compiled a report identifying (1) remediation progress to date and (2) priorities for FY21 remediation efforts. This report was presented to WVU's GLBA Steering Committee in June for review. WVU also provided the report to the third-party vendor for review and feedback. For FY21, WVU continues to work on remediation of the compliance gaps identified from the FY20 report. To date, WVU has remediated 18 of 33 gaps



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identified in the 2019 assessment. The third-party vendor is scheduled to complete a 2021 risk assessment March 2021.

West Virginia State University (WVSU) response

WVSU retained a vendor that specializes in IT security to provide risk assessments and provide evaluation for the entire information technology infrastructure. WVSU will develop network monitoring and system management systems, develop security training programs for all personnel who work with student data, and will maintain and document ongoing training and monitoring to comply with the Gramm Leach Bliley Act. This will be complete by October 2021.

Marshall University (Marshall) response

Marshall continues to make progress towards addressing the findings from the April 2020 Gramm Leach Bliley Act (GLBA) risk assessment. In Spring 2021, the Marshall GLBA Task Force will meet with an external compliance advisor to review progress towards risks identified in the prior year. In Summer 2021, senior management will review existing policies and procedures to ensure compliance with 16 CFR 314.4(b)(c). By Fall 2021, the GLBA Task Force will conduct a GLBA risk assessment to evaluate effectiveness of key controls, systems and policies and procedures.

West Virginia University at Parkersburg (WVU-P) response

WVU-P completed and documented a GLBA risk assessment. The risk assessment addresses all of the required GLBA elements. To date, the risk assessment has not been evaluated by a third-party consultant. Third-party firms familiar with GLBA have been contacted to request a quote so that the cost/benefit of contracting an outside review of the risk assessment can be evaluated. COVID-19 delayed this process, but WVU-P expects to update communications with outside vendors and plans to conduct a review in June 2021.

Pierpont Community and Technical College (PCTC) response

PCTC has successfully separated their network from Fairmont State University. PCTC previously did not have an independent Information Technology infrastructure. PCTC will continue to develop a comprehensive risk assessment plan throughout the year. PCTC is



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currently working on a Disaster Recovery Plan and Risk Assessment that will be completed by June 2021.

Fairmont State University (FSU) response

FSU is currently engaging with security consultants to ensure the proper documentation, policies, and procedures are in place and annual internal audits are performed according to GLBA specifications. This will be complete by April 2021.

New River Community and Technical College (NRCTC) response

NRCTC has made great strides in recent months to establish policies and procedures, standards, and controls related to compliance with GLBA information security requirements. A recent internal security audit was conducted in February 2021 and improvements have been made. An assessment will be completed by June 2021.

Shepherd University (Shepherd) response

Shepherd continues to review and improve comprehensive risk assessment plans. The IT Services department works with independent, third parties to review and recommend improvements to core processes, data security, and infrastructure vulnerabilities on an annual basis. As a result, Shepherd has engaged with external vendors to assist in GLBA Assessment services and remediation and is targeted to begin by July 2021.

West Virginia Northern Community and Technical College (WVNCC) response

WVNCC had a risk assessment in February 2020 and will continue to have security assessments done on a yearly basis in the month of July going forward. WVNCC will continue to document safeguards in response to the identified risks from the security assessment. WVNCC will examine current policies and procedures, identify and update as necessary. From this assessment, WVNCC will develop internal controls so that policies and procedures are followed, monitored, and reviewed. Policies and procedures will be updated annually.



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Bluefield State College (BSC) response

BSC's IT staff met and reviewed the GLBA audit findings and the SyCom Security Assessment. Policies and procedures, training and internal controls are in the process of being updated and are expected to be in place by March 2021.

West Virginia School of Osteopathic Medicine (WVSOM) response

WVSOM completed the required an internal risk assessment in May 2020. WVSOM contracted with Software Compliance Associates (SCA) in June 2020 for a third party risk assessment specific to GLBA, PCI compliance, internal/external penetration testing and mock phishing. The required components of GLBA 16 CFR 314.4(b) and (c) including risk assessments & mitigations for IT systems, and employee training on GLBA requirements have been addressed. Policies and procedures, internal controls, training courses, and a third-party contract (SCA) are in place to continue compliance with the GLBA requirements.

Concord University (Concord) response

Concord IT management completed an internal risk assessment in compliance with 16 CFR 314.4(c) in May 2020. Concord's IT Department created the IT Security Council, comprised of the CIO, Director of IT Operations, and Director of Enterprise Applications. This council meets bi-weekly to discuss immediate security threats and to collaborate to address the identified risks from the most recent assessment. Concord has been making progress towards the issues identified. The COVID-19 pandemic and strain on resources has complicated progress, but Concord is committed to prioritizing the development of policies, procedures and internal controls using best practices to fully meet the requirements listed in 16 CFR 314.4(b) and (c) by June 2021.

West Liberty University (WLU) response

The WLU IT department performed the required assessment in June 2020 and is utilizing the findings as a guide for internal improvement. The assessment found no vulnerabilities in the WLU network infrastructure, but there were areas pointed out that required improvement from a documentation and policy perspective. WLU is



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
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reviewing policies and procedures that will remediate much of the assessment findings. These findings will be in place by June 2021. WLU is also taking steps to increase the cyber security level by implementing EPP / EDR systems during fiscal year 21 and are scheduling annual assessments. These activities have been incorporated into the annual schedule and budget to ensure that WLU remains compliant with the requirements of the audit and, more importantly, vigilant in efforts to provide a safe and secure environment for data.

**2019-023 PERIOD OF PERFORMANCE
 Department of Education
 CFDA Number 84.027, 84.137
 Resolved**

Corrective action taken for FY 2020.

**2019-024 ALLOWABILITY AND ELIGIBILITY
 Department of Health and Human Resources (DHHR)
 CFDA Number 93.558
 Resolved**

Corrective action taken for FY 2020.

**2019-025 SPECIAL TESTS AND PROVISIONS – CHILD SUPPORT NON-
 2018-019 COOPERATION, PENALTY FOR REFUSAL TO WORK, AND
 2017-010 ADULT CUSTODIAL PARENT OF CHILD UNDER SIX WHEN
 2016-016 CHILD CARE NOT AVAILABLE
 2015-024 Department of Health and Human Resources (DHHR)
 2014-018 CFDA Number 93.558
 2013-036 Partially Resolved
 2012-56
 2011-44
 2010-41**

The corrective action plan for the prior year finding 2019-025 will remain in place. The DHHR Bureau for Children and Families (BCF) Policy Unit will send monthly reminders regarding the sanction policy.



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The Policy Unit will distribute the Sanction Flow Chart/Desk Guide by March 5, 2021 and will provide access to the document on the BCF Division of Family Assistance SharePoint site. Management within the BCF will provide emphasis and additional training to all staff to supply all case documents for all steps of the sanction process to provide evidence of documentation of the internal controls pertaining to the issuance and removal of sanctions against TANF recipients. A Sanction Blackboard course will be sent out April 1, 2021 for completion by April 30, 2021. Management will also emphasize the need to maintain accurate documentation of sanctions within case files. A checklist for sanctions will be sent to field staff to be included with all Sanctions. The checklist will be scanned into On-Base as additional documentation of the sanction when sanctions are applied to cases. The Policy Unit will also continue reviewing WV WORKS cases monthly to ensure accuracy and try to eliminate findings.

As additional measures beyond the corrective action plan for the prior year finding, the BCF will hold a virtual conference in each region throughout the state to review policies and procedures regarding sanctions; the WV WORKS Council will add payment accuracy training with staff quarterly; and the TANF Policy Unit will review RAPIDS Management Reports regarding Sanctions to ensure 3rd Sanctions are being sent to the Policy Unit for review. See current year finding 2020-025.

2019-026 SPECIAL TESTS AND PROVISIONS – PENALTY FOR REFUSAL TO WORK
Department of Health and Human Resources (DHHR)
CFDA Number 93.558
Partially Resolved

The DHHR Bureau for Children and Families (BCF) will meet with staff members at Optum and RAPIDS by June 30, 2021 to review requirements to ensure accuracy of populations; will review populations when pulled by Optum; will send monthly reminders regarding the information needed in the case record to document engagement in an activity; and will continue reviewing WV WORKS



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cases monthly to ensure accuracy and try to eliminate findings. See current year finding 2020-027.

- 2019-027 DHHR INFORMATION SYSTEM AND RELATED BUSINESS**
- 2018-017 PROCESS CONTROLS**
- 2017-002 Department of Health and Human Resources (DHHR)**
- 2016-017 CFDA Number 93.558, 93.568, 93.575, 93.596, 93.658, 93.659,**
- 2015-025 93.767, 93.775, 93.777, 93.778**
- 2014-016 Partially Resolved**
- 2013-034**
- 2012-51**
- 2011-46**
- 2010-43**
- 2009-43**
- 2008-55**

The DHHR plans to explore the possibility of enhancing the Quality Control process by adding other programs to the overall scope and expanding the populations [for sampling] to include both payments processed through the information systems that are initiated and approved by the same person as well as case data that is entered by one person without another level of approval. However, given the volume of work that the BCF and other offices within the DHHR are experiencing, an anticipated date for completion is unknown at this time. See current year finding 2020-023.

- 2019-028 ELIGIBILITY**
- Department of Health and Human Resources (DHHR)**
- CFDA Number 93.568**
- Resolved**

Corrective action taken for FY 2020.

- 2019-029 MISSING SUPPORTING DOCUMENTATION**
- Department of Health and Human Resources (DHHR)**
- CFDA Number 93.568**
- Resolved**

Corrective action taken for FY 2020.



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**2019-030 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION
AND REPAYMENT INTERNAL CONTROLS
Department of Health and Human Resources (DHHR)
CFDA Number 93.575, 93.596
Resolved**

Corrective action taken for FY 2020.

**2019-031 ELIGIBILITY DOCUMENTATION
2018-023 Department of Health and Human Resources (DHHR)
2017-015 CFDA Number 93.659
2016-022 Resolved
2015-029
2014-024
2013-040
2012-59**

Corrective action taken for FY 2020.

**2019-032 SPECIAL TESTS AND PROVISIONS – UTILIZATION
CONTROL AND PROGRAM INTEGRITY INTERNAL
CONTROLS
Department of Health and Human Resources (DHHR)
CFDA Number 93.775, 93.777, 93.778, ARRA
Partially Resolved**

The BMS Office of Program Integrity (OPI) will retrain staff to ensure they know that case files are reviewed upon closure by a member of management separate from the caseworker and that the review is documented. The anticipated completion date for the training is May 30, 2021. Furthermore, during orientation, all new staff will receive training on case closure requirements and procedures.

The OPI will also clarify and revise its procedures to state that management review of closed cases must be performed within 60 calendar days of initial closing. The anticipated completion date for the new procedures is May 30, 2021.



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The OPI and BMS Finance will explore additional methods for following up on lien requests and will develop procedures that include specific timeframes. The anticipated completion date for the new procedures is May 30, 2021. See current year finding 2020-034.

2019-033 **SPECIAL TESTS AND PROVISIONS – MEDICAID FRAUD CONTROL UNIT INTERNAL CONTROLS**
Department of Health and Human Resources (DHHR)
CFDA Number 93.775, 93.777, 93.778, ARRA
Partially Resolved

The Medicaid Fraud Control Unit (MFCU) Referral Form is used by the DHHR Bureau for Medical Services (BMS) Office of Quality and Program Integrity (OPI) to compile and present any information considered necessary to present a potential Medicaid fraud case to the MFCU whereby the MFCU could determine if a fraud investigation is warranted.

When the MFCU Referral Form was originally created, MFCU management expected the form to be completed by the OPI, sent to the MFCU for review of the contents, signed as accepted by MFCU management, and a copy returned to the OPI for their files. Over the last few years, the MFCU discontinued signing the form and returning it. Instead, the MFCU sent an email stating the case was accepted or not.

For the West Virginia Single Audit for the Year Ended June 30, 2019, attention was drawn to the final page of the MFCU Referral Form, which is the signature page. Since the MFCU no longer signed and returned the form, this resulted in finding 2019-033. In response to the finding, the signature section was removed from the referral form on April 2, 2020. The email received from the MFCU (either accepting or rejecting the case) is documentation of the acceptance or rejection of the case. On February 11, 2021, further modifications were made to the MFCU Referral Form. That same day, an email was sent to the entire OPI staff informing them of the changes and to immediately begin use of the new form. The five fraud referral cases reviewed by



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SSA all had recorded dates prior to the changes to the fraud referral form. See current year finding 2020-036.

2019-034

ELIGIBILITY

**Department of Health and Human Resources (DHHR)
CFDA 93.775, 93.777, 93.778, ARRA, 93.767
Partially Resolved**

The WV eligibility system does access the Federal Data Hub (FDH) for verification purposes and the DHHR Bureau for Medical Services (BMS) acknowledges that historical record of the FDH matches were not yet available in the case record for this review cycle. However, regardless of whether the FDH provides necessary verifications, additional electronic data sources may be used (e.g., Workforce WV Quarterly Wage Match, Social Security Administration Data Exchange, IPACT, etc.) to verify income, SSN, DDOB, and citizenship. If electronic sources do not provide necessary verifications, then additional paper documentation may be requested from the client. If the client provides a paper copy of paystubs, a birth certificate, or Social Security Card, then that is also an acceptable verification method for the data element and may be used to complete the eligibility determination.

Non-Financial

Social Security Number, Age (Date of Birth), and Citizenship/Immigration status are data elements that are required to be verified in the WV Verification Plan. Immigration status would be required only for individuals who do not attest to US citizenship. None of the cases indicated in the finding were non-citizens. Citizenship verification is required for all individuals who declare US citizenship, unless exempt. These data elements may be verified by the Federal Data Hub, another electronic data source, or by paper documentation. In most cases, self-attestation is not acceptable. Paper verifications provided by the client and maintained in the case file are also an acceptable verification method.



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Financial

Earned and Unearned Income are data elements that are required to be verified in the WV Verification Plan. These data elements may be verified by the Federal Data Hub, another electronic data source, or by paper documentation. In most cases, self-attestation is not acceptable. Paper verifications provided by the client and maintained in the case file are also an acceptable verification method. For example, if a client provides paystubs for the application period in question, the eligibility caseworker is required to consider that information when making an eligibility determination.

Corrective Action

The dates of the eligibility determinations for the cases under review for the West Virginia Single Audit for the Year Ended June 30, 2020 were prior to implementation of the Corrective Action Plan for finding 2019-034 from the West Virginia Single Audit for the Year Ended June 30, 2019. Therefore, most of the corrective actions needed to ensure financial and non-financial information is verified, per policy, and documentation is maintained in the case record, will be the same as for year 2019. Specific dates for measures related to verification of financial data elements and verification of non-financial data elements is as follows:

1. Verification of Financial data elements (Income)

In February 2020, the Income verification field guidance was reissued by the Bureau for Children and Families (BCF) Training Program manager for review and training program manager for review by all eligibility caseworkers.

In February 2020, the BMS requested an enhancement to the eligibility system (through the IT system vendor) to retain historical verification information obtained from the Federal Data Services Hub for financial and non-financial information. The BMS informed the BCF that until the enhancement in the eligibility system is implemented, the BMS will develop a new procedure (verification field guidance) requiring the eligibility caseworker to print a RAPIDS



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screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In February 2020, the BMS sent the BCF the new procedure requiring the eligibility Caseworker to print a RAPIDS screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In April 2020, the State's IT vendor and the DHHR Office of Management Information Services conducted testing with the Centers for Medicaid and Medicare Services to test the data used for income verification that is received from the Federal Data Hub ("Verify Annual Household Income and Family Size Service" and "Verify Current Household Income Service"). Analysis of the results was completed June 30, 2020 and necessary enhancements to the system were requested (improved Federal Data Hub income verification procedures and a new FDH verification of Medicare service).

In June 2020, the BCF Training Division implemented a Blackboard training course and quiz for eligibility Caseworkers regarding verification procedures, use of the Federal Data Services Hub, and documentation requirements needed to properly process and document income for Modified Adjusted Gross Income (MAGI) Medicaid during the enrollment process. A total of 753 people completed the course and quiz. The average quiz score was 90.69%.

In December 2020, a reminder was sent to BCF regarding the procedure requiring the eligibility caseworker to print a RAPIDS screenshot of the Federal Data Services Hub verification of income and scan it into the OnBase case record.

In April 2021, an enhancement will be made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to retain a historical record of verification of financial information obtained from the Federal Data Services Hub. A new screen (FDH History) is designed in the eRAPIDS -> Web Inquiry -> FDH History to view the Federal Data Hub History Information.



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This enhancement was originally to be completed in October 2020 but was delayed.

2. Verification of Non-verification of Non-Financial data elements (SSN, Citizenship, Age/DOB)

In September 2019, the BCF Training Division released a training blast to eligibility Caseworkers that covered coding citizenship and identity.

In July 2020, an enhancement was made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to automatically code the citizenship verification field when citizenship is verified by the Federal Data Hub.

In September 2020, the BMS Policy Unit provided guidance for distribution to BCF eligibility Caseworkers regarding the citizenship verification screen in RAPIDS.

In October 2020, an enhancement was made to Recipient Automated Payment and Information Data System (RAPIDS), the State's eligibility system, to retain a historical record of verification of non-financial information obtained from the Federal Data Services Hub. A new screen (FDH History) is designed in the eRAPIDS -> Web Inquiry -> FDH History to view the Federal Data Hub History Information effective October 21, 2020.

In May 2021, the West Virginia Income Maintenance Manual will be reviewed and updated, as needed, to ensure all policies regarding verifying non-financial data elements (Social Security Number, Age (Date of Birth), and Citizenship/Immigration status) align with the WV Verification Plan on file with the Centers for Medicaid and Medicare Services. Furthermore, the Bureau for Children and Families Training and Corrective Action Team will develop Payment Accuracy Challenges for BCF eligibility Caseworkers to address non-financial data verification requirements for Social Security Number, Age (Date of Birth), and Citizenship/Immigration status. A report will be made



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to BCF Regional Directors to address training needs for individuals with scores of less than 70%.

ONGOING The BMS will continue to monitor the success of these corrective actions using the Medicaid Eligibility Quality Control (MEQC) audit, the Payment Error Rate Measurement (PERM) audit, and the ongoing Statewide Error Action Team (SEAT) meetings that are held between BMS Policy staff and BCF Field Operations staff. See current year finding 2020-032.

**2019-035 MATCHING, LEVEL OF EFFORT, EARMARKING
Department of Health and Human Resources (DHHR)
CFDA 93.788
Resolved**

Corrective action taken for FY 2020.

**2019-036 SUBRECIPIENT MONITORING
Department of Health and Human Resources (DHHR)
CFDA 93.788
Partially Resolved**

The Checklist of Required Activities for the Award and Monitoring of Grants within the DHHR is a tool to ensure [to the extent practicable] that DHHR spending units performed all the monitoring activities required per DHHR Policy 3801, Award and Monitoring of Subrecipient Grants, and other DHHR directives; documented performance of those activities; and accounted for completion of those activities. Policy 3801 provides extensive and comprehensive information regarding the DHHR's overall approach to subrecipient monitoring and provides suggested activities regarding the general oversight, administration, and monitoring of grant funds. To consider the Checklist without reviewing Policy 3801 and understanding the DHHR agencywide monitoring strategy, which utilizes a centralized (uniform) and decentralized (discretionary) approach, can cause misperceptions because the policy is the driving force behind the Checklist.



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DHHR Policy 3801, Award and Monitoring of Subrecipient Grants, sets forth the official methodology by which the DHHR satisfies its administrative, monitoring, and oversight responsibilities with respect to Federal subawards and subrecipient grant relationships. As discussed in Policy 3801, the primary strategy for the DHHR concerning its grants management and monitoring function is to ensure that a uniform and defined (standard) level of administrative oversight and monitoring activities occur throughout the grant cycle, regardless of the spending unit awarding the grant or the original source of Federal funds associated with the grant. Policy 3801 attempts to satisfy the DHHR's responsibility to provide reasonable assurance that subrecipients are administering Federal subawards in compliance with applicable grant terms and conditions, while also providing consideration to the wide array of funding sources, multitude of assistance programs, and unique characteristics of the individual spending units within the DHHR under which those awards are administered.

The DHHR emulates Federal administrative requirements when awarding grants and thus views monitoring as a continuous function, performed at various levels of the agency throughout the grant cycle and emphasizing a proactive approach and related improvement strategy. As such, Section 400 of Policy 3801 defines a variety of processes, procedures, and other activities that the DHHR mandates for all subawards and subrecipient grant relationships. The mandatory processes and procedures are outlined using an extended grant cycle, from pre-award through post-award, and provide the framework by which the DHHR administers its subawards and satisfies its Federal grants management and monitoring responsibilities. Performance of those activities throughout the grant cycle provides the DHHR with standardized and consistent oversight of the subaward process.

One of the advantages of a continuous approach to monitoring and assessing subrecipient performance throughout the grant cycle is that the spending unit can identify problematic areas and issues at an early stage and take necessary action before the end of the grant period, at which point it may be too late to take appropriate action. For example,



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if the spending unit becomes aware during the early stages of the grant cycle that a subrecipient is unable or unwilling to comply with the applicable terms and conditions attached to the subaward, the spending unit could begin to look for other, more-qualified organizations to undertake those responsibilities. The spending unit could then terminate the existing (problematic) subaward without disrupting any programs or necessary services.

Although the Checklist outlines the required monitoring activities, the spending unit still has much discretion regarding how they perform and document completion of those activities. For purposes of planning and coordination, there is a need to distinguish between completing the Checklist, which in essence is a processing function, versus performing the monitoring activities denoted within the Checklist, which is the actual work required per Federal and State rules, regulations, and directives.

As previously mentioned, the Checklist serves as a source of information and tool for spending units to utilize to ensure that the monitoring activities required per Section 400 of Policy 3801 (and other related DHHR directives) are accomplished. It is not the intent of the Checklist to replace or supersede the overall directives and detailed guidance provided within Policy 3801 or by the DHHR as a whole. The intent of the Checklist is to assist spending units in effectively ensuring compliance with the mandatory requirements prescribed by Policy 3801 and the DHHR as a whole.

The Checklist contains 24 subsections (with questions contained therein) that are categorized based on their likely occurrence throughout the typical grant cycle (e.g., pre-award, during the award, post-award) and correspond with the mandatory monitoring activities referenced in Section 400 of Policy 3801. The sequence by which the spending unit or other responsible parties within the DHHR perform those monitoring activities may vary or occur during multiple stages of the grant cycle, depending on the organizational structure of the spending unit, the circumstances surrounding the grant award, and the overall characteristics of the spending unit.



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All spending units within the DHHR are required to utilize the Checklist, conduct the activities referenced within the Checklist, and maintain a completed and signed copy of the Checklist within the official grant file to document and certify for auditors, regulators, and reviewers internal and external to the DHHR that the spending unit completed all the mandatory monitoring activities. The underlying goal is to increase accountability throughout the DHHR and thus lessen the likelihood of a subrecipient committing fraudulent acts or otherwise administering a DHHR grant award in a manner that is inconsistent with the terms and conditions within the grant agreement, while also providing spending units with a comprehensive tool to assist with that endeavor.

There is a section at the end of the Checklist for authorized representatives of the spending unit to sign and certify that they have read the responses contained within the Checklist and that the responses are true, complete, and accurate to the best of their knowledge and believe. Therefore, the Checklist and the signed sworn statement at the end of the Checklist serve as a means for the spending unit to confirm at the end of the grant cycle that they performed all the monitoring activities as required during the grant cycle, or to explain any deviations from the required monitoring activities if necessary.

At the closeout stage of the grant award, the spending unit uploads the completed and signed Checklist for each of their grants into the applicable "Document Manager" section within the DHHR's subrecipient grants management system. The system prevents closeout of the grant until the Checklist is uploaded into the system. When the DHHR originally developed the Checklist, they considered whether it would be more efficient and effective to upload various parts of the Checklist during the grant instead of uploading the entire Checklist during the closeout stage. Due to the intricacies of creating a mechanism in the system that requires the Checklist to be completed at various stages of the monitoring process coupled with the fact that each spending unit within the DHHR is unique with respect to their programs, organizational structure, and staffing capabilities, which is often fluid given the turnover within the DHHR, the DHHR



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determined that preventing a grant from being closed in the system without the Checklist made the most sense. With consideration to finding 2020-038 and the auditor's concern that there is a lack of sufficient documentary evidence to prove that the controls are operating as designed, the DHHR will reconsider whether it would be prudent and practicable to break out the Checklist into multiple parts and finalize the various parts during various stages of the grant instead of finalizing the entire Checklist during closeout.

With respect to the auditor's statement that documentation of the subrecipient monitoring procedures is not designed to ensure the timely review of each significant phase of monitoring, the DHHR understands the auditor's concern but would like to point out that there are many controls within the DHHR beyond the Checklist. Some of those controls are embedded within the DHHR's subrecipient grants management system. Using the pre-award stage of the grant as an example, DHHR Policy 3801 declares the DHHR grant agreement to be the official document/instrument by which the DHHR negotiates the terms and conditions attached to the grant award and related program. The grant agreement serves as one of the DHHR's most important tools for monitoring subrecipient activities because it provides an overall basis and comprehensive framework for administering the subaward; documents the flow-through of information and responsibilities for Federal grant funds; describes the services or benefits that the subrecipient must provide when administering the program; and outlines the various rules and regulations that the subrecipient must comply with as a condition of receiving the grant award. Accordingly, before awarding a grant, the spending unit is responsible for negotiating and preparing a formal grant agreement document with the proposed subrecipient organization. In no case shall grant funds be committed, awarded, or otherwise distributed to any organization without an approved and signed grant agreement. Upon review, approval, and authorization of the draft grant agreement by the spending unit contact person, the spending unit's office director, the spending unit's finance officer, and the bureau commissioner (or designee), the spending unit processes the draft agreement through the grants management system. This addresses the following pre-award requirements:



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- Scope of work (i.e., ensuring the scope of work complies with the DHHR's written directive for preparing a statement of work”).
- Budget and cost analysis (i.e., ensuring that the budget complies with the DHHR's written directive for preparing the line-item budget).
- Payment methodology (e.g., ensuring the subrecipient is aware of its responsibilities for appropriate cash management).
- Program specific reporting requirements (i.e., to ensure the requirements contain the necessary parameters to compare the subrecipient's actual accomplishments with the goals and objectives established for the period).
- Special terms and conditions if deemed necessary.
- Subawards from the subrecipient to a lower-tier subrecipient (e.g., to ensure the subrecipient is aware of its requirement to obtain prior approval from the DHHR before subawarding the funds to a lower-tier organization; and to ensure the subrecipient is aware that by subawarding Federal funds, the subrecipient would assume dual roles and responsibilities as both a subrecipient organization and as a pass-through entity under Federal administrative requirements).
- Subrecipient contact persons (i.e., to denote whether the subrecipient has different contact persons for different areas of responsibility such as those related to programmatic, financial, and legal matters).
- Award identification (e.g., source of funds, CFDA program and title, award name and number, award year, name of the Federal awarding agency, etc.).
- Authorizing statute (i.e., to ensure the subrecipient is aware of the authorizing statute establishing the program and describing the program's purpose and objectives, eligibility requirements, matching requirements, and other responsibilities vital for effective administration of the subaward).
- Administrative regulations and cost principles (i.e., to ensure the subrecipient is aware of the overall administrative requirements and cost principles that are applicable to the subaward).
- Indirect costs (e.g., to ensure the subrecipient is aware of the Federal regulations surrounding indirect costs and the procedures



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established by the DHHR for charging indirect costs to the grant award).

- Program regulations and guidelines that are applicable to the grant award and related program.
- Public policy requirements (i.e., to ensure the subrecipient is aware of the public policy requirements that are applicable to the grant and related program).
- Retention and access to records (i.e., to ensure the subrecipient is aware of the record retention requirements associated with the subaward and to ensure the subrecipient is aware of its obligation to permit the DHHR, auditors, and/or other duly authorized representatives to have timely and unrestricted access to the subrecipient's records and personnel).
- Period of availability of funds (i.e., to ensure the grant agreement specifies a period of performance during which the subrecipient may use the award funds and to ensure the subrecipient is aware that costs incurred prior to the effective date of the award are unallowable except with the prior approval of the DHHR and/or the Federal awarding agency).

As previously indicated, all the activities bulleted above are part of the pre-award stage of the grant. The activities are documented via the grant agreement. The grant agreement flows through multiple levels of authority at the spending unit level and within the DHHR's centralized Office of Grants Management and Office of Accounting. As the grant agreement flows through those channels, it is reviewed and approved by authorized staff. Documentation of the flow and approvals are maintained within the DHHR grants management system. Therefore, there is no need to break out that part of the Checklist into a separate Checklist for completion during the pre-award stage of the grant. Instead, the DHHR will consider removing those pre-award items from the Checklist.

The remaining sections of the Checklist relate to the following monitoring activities: Monitoring Evaluation Questionnaire; Reviewing Financial (Expenditure) Reports; Reviewing Program (Progress) Reports; Prior Approvals; Sanctions; Continuous Funding – Long Term Funding; Independent Audits (2 CFR 200 Subpart F); Sworn



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Statements of Expenditures (West Virginia Code §12-4-14); Closeout of an Award; Follow-Up; Documentation; and Grant Files. It should be noted though that while many of those activities are performed during the award, the spending unit cannot sign off on those activities until the closeout stage. As an example, reviewing expenditure reports does indeed occur during the award. However, the spending unit cannot confirm that the subrecipient submitted all the reports within prescribed timeframes until the spending unit receives the final expenditure report during the closeout stage and reconciles the reported expenditures against the grant payments and other documents on file at the spending unit.

As the auditors mentioned expenditure reports within their recommendation for the finding, it is important to note that while Policy 3801 indicates that a continuous focus of the spending unit should be to verify, document, and track the expenditure reports and other information required of the subrecipient in relation to their financial administration of the subaward, there are no specific procedures that the spending unit must follow when performing such activities. Instead, the policy says that the spending unit shall maintain internal controls sufficient to ensure that the subrecipient submits financial reports within prescribed timeframes and that the information is complete, accurate, and presented in the prescribed format if applicable. Within a reasonable time after receipt, the spending unit shall perform some type of desk review, evaluation, or analysis of every invoice, request for payment, reconciliation, statement of expenditures, or other financial report submitted by the subrecipient. Although Policy 3801 does not dictate the procedures, it provides guidance regarding what the procedures should entail. Furthermore, the policy says that to provide consistent reporting and greater assurance that grant funds are spent appropriately, the spending unit should consider developing standard formats, documents, or specific criteria to be included within financial (expenditure) reports and should consider developing standard checklists or other procedures for documenting the desk review process. A sample form that may be utilized for that purposes is attached to the policy. With consideration to the auditor's recommendation to maintain sufficient documentation to evidence its



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internal controls over expenditure reports, it is important to note that the DHHR grants management system provides documentation that the spending units approved the expenditure reports, but it does not provide documentation that the spending units reviewed the expenditure reports prior to approving. As such, the DHHR Office of Internal Control and Policy Development will reach out to DHHR spending units prior to the start of fieldwork for the West Virginia Single Audit for the Year Ended June 30, 2021 and will request a detailed description of the controls that the spending units utilize to ensure that subrecipients submit financial reports within prescribed timeframes and to ensure that the information is complete, accurate, and presented in the prescribed format. Otherwise, the Office of Internal Control and Policy Development will encourage the spending units to offer more information and documentation to the auditors during fieldwork. If time permits, the Office of Internal Control and Policy Development will also revisit Policy 3801 in full and will reconsider the DHHR's complete array of subrecipient monitoring objectives, strategies, approaches, requirements, activities, tools, techniques, and overall controls. See current year finding 2020-038.

**2019-037 SPECIAL TESTS AND PROVISIONS – KEY PERSONNEL
Department of Health and Human Resources (DHHR)
CFDA 93.788
Resolved**

Corrective action taken for FY 2020.

**2019-038 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
National Guard Military Operations and Maintenance, School
Building Authority
CFDA Number 97.036
Resolved**

Corrective action taken for FY 2020.



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2019-039 INTERNAL CONTROLS OVER REPORTING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036
Resolved

Corrective action taken for FY 2020.

2019-040 SUBRECIPIENT MONITORING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036

DHSEM implemented a policy to send letters to applicants once their project has been obligated in the Emergency Management Mission Integrated Environment and prior to making payments. DHSEM has added the required information from 2 CFR 200.331 to the subgrant agreement. In addition, the subgrant agreement or the State Request for Public Assistance has been added to the DEM's grants management software process in Emergency Management (EM) Grants. Grant awards will not progress through the workflow for payment until the subgrant agreement has been signed and agreed to by each subrecipient. EM Grants is being implemented in February 2021 on a step basis for each FEMA Disaster. See current year finding 2020-040.

2019-041 SUBRECIPIENT CASH MANAGEMENT
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042
Partially Resolved

DHSEM has made progress toward disbursing all subrecipient payment requests within the federally required timeframe, however, the agency is still not at 100%. DHSEM has reconfigured the grant section and is updating grant management policies to ensure that the federal requirements are incorporated into agency procedures. The agency is also working with the Division of Administrative



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Services/Justice and Community Service to review and revise the staffing and distribution of accounting work to ensure payments are processed expeditiously.

2019-042 EARMARKING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.042
Partially Resolved

Effective January 2020, DHSEM began tracking management and administrative expenses for the Emergency Management Program Grant (EMPG) grants to ensure they don't exceed 5% of the grant award, as set by the Notice of Funding Opportunity (NOFO). DHSEM has updated the work plan and budget for each open EMPG award to identify personnel and other expenditures directly attributable to management costs. The Finance and Accounting staff is detailing these costs and correlating them to the budget during each fiscal year.

2019-043 PERIOD OF PERFORMANCE MISSING POPULATION
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.042
Partially Resolved

DHSEM has established Period of Performance codes (PPC) within wvOASIS in order to track all transactions by grant year for the Emergency Management Program Grant (EMPG) grants. During fiscal year 2020, all PPC codes were entered for the current year's existing transactions. Effective January 2020, a written policy was implemented requiring all transactions associated with EMPG grants that are entered into wvOASIS, the State's accounting system, have all required accounting codes entered on the document. At the time of request to make a purchase, the full accounting code is entered on the request document, and the appropriate program manager must initial to show approval for the purchase to be made. This includes State of WV Purchasing card (P-Card) transactions.



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2019-044 REPORTING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042
Partially Resolved

In FY 2020, DHSEM developed, implemented, and assessed compliance of a policy to include proper coding on all wvOASIS transactions ensuring we are following proper state and federal procedures. Further training will be conducted with new accounting staff to ensure implementation.

2019-045 REPORTING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042
Partially Resolved

DHSEM has implemented a Reporting Best Practices policy which states that all reports, whether programmatic or financial in nature, must be signed and dated by the preparer and by a separate reviewer/approver. If the report is submitted in an electronic format or otherwise does not provide for such signatures, a printed copy of the report or a screen shot will be made, signed, and a copy retained as evidence of the review procedure. There has been turnover in the Grant Management and Finance & Accounting staff and DHSEM will conduct additional training to ensure all staff understand the policy.

2019-046 SPECIAL TESTS AND PROVISIONS – TRAINING AND
EXERCISE PLAN REQUIREMENTS
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042
Resolved

Corrective action taken in FY 2020.



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
Financial Accounting & Reporting Section
2101 Washington Street, East
Charleston, WV 25305

Dave Mullins
Acting Director of Finance
(304) 414-9040

Betsy Chapman
Single Audit Coordinator
(304) 414-9072

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**2019-047 SPECIAL TESTS AND PROVISIONS – CLOSEOUT
REPORTING REQUIREMENTS
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042
Partially Resolved**

DHSEM is tracking the period of performance for these reports to ensure timely submission. All grants are reviewed at least quarterly to track the status and ensure that all reports are submitted within the 90 days of expiration or termination of the grant award. This review is performed by someone independent from the staff responsible for generating the reports. While there has been improvement in the timeliness of closeout reports, the agency is still not meeting the requirement for all grant awards.

