

OFFICE OF THE STATE INSPECTOR GENERAL

Annual Follow-up of Previous Findings

Performance Audit
Fiscal Year 2023



Michael C. Westfall, CPA
State Inspector General
Report No. 2024-PA-002



COMMONWEALTH OF VIRGINIA
Office of the State Inspector General

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February 13, 2024

The Honorable Glenn Youngkin
Governor of Virginia
P.O. Box 1475
Richmond, VA 23219

Dear Governor Youngkin,

Under § [2.2-309](#) [A](10) of the *Code of Virginia (Code)*, the Office of the State Inspector General (OSIG) is empowered to conduct performance reviews of state agencies to ensure that state funds are spent as intended and to evaluate the efficiency and effectiveness of programs in accomplishing their purposes. After audits are completed and reports issued, OSIG performs follow-up on significant items to ensure agencies have taken corrective action. OSIG completed a comprehensive follow-up audit of findings related to audit reports where corrective action was scheduled to be completed by June 30, 2023.

OSIG issued no additional findings following its review and recommends agencies continue to implement corrective actions agreed to by agency management. Review of corrective actions that agencies did not implement will be included in the next follow-up audit.

OSIG would like to thank all agencies and staff for their cooperation and assistance during the follow-up audit.

Respectfully,

A handwritten signature in black ink, appearing to read "Michael C. Westfall".

Michael C. Westfall, CPA
State Inspector General

CC: The Honorable Jeff Goettman, Chief of Staff to Governor Youngkin
Tiffany Robinson, Deputy Chief of Staff to Governor Youngkin
Isabella Warwick, Deputy Chief of Staff to Governor Youngkin
The Honorable Margaret McDermid, Secretary of Administration
The Honorable John Littel, Secretary of Health and Human Resources
The Honorable Travis Voyles, Secretary of Natural and Historic Resources
The Honorable Terrance C. Cole, Secretary of Public Safety and Homeland Security
The Honorable W. Sheppard Miller III, Secretary of Transportation
Janet Lawson, Director, Department of Human Resource Management
Michael Bisogno, Acting Director, Department of General Services
Jessica Hendrickson, Director of Policy and Legislative Affairs, Department of General Services
Robert Osmond, Chief Information Officer, Virginia Information Technologies Agency
Nelson Smith, Commissioner, Department of Behavioral Health and Developmental Services
Divya Mehta, Internal Audit Director, Department of Behavioral Health and Developmental Services
Dr. Karen Shelton, Commissioner, Virginia Department of Health
Tasha Owens, Internal Audit Director, Virginia Department of Health
Dr. Danny Avula, Commissioner, Virginia Department of Social Services
Matthew Wells, Director, Department of Conservation and Recreation
Eric Surratt, Internal Audit Director, Department of Conservation and Recreation
Ryan Brown, Director, Department of Wildlife Resources
John Allen, Internal Audit Director, Department of Wildlife Resources
Shawn Talmadge, State Coordinator of Emergency Management, Virginia Department of Emergency Management
Colonel Gary T. Settle, Superintendent, Virginia State Police
Crystal Crawley, Internal Audit Director, Virginia State Police
Stephen C. Brich, Commissioner, Virginia Department of Transportation
Bradley Gales, Internal Audit Director, Virginia Department of Transportation
Staci Henshaw, Auditor of Public Accounts

HIGHLIGHTS

Why OSIG Performed This Audit

OSIG conducted this audit to report on the status of agencies implementing recommendations from earlier audit reports.

Potential Impact of Audit

Much of the benefit from audit work is not in the findings reported or the recommendations made, but in their effective resolution. When OSIG completes audit work and issues recommendations, the aim is to improve the way the Commonwealth serves its citizens. The intention of OSIG's follow-up audits is to work with management to verify that their agencies have addressed identified issues.

Annual Follow-up of Previous Findings

What OSIG Found

Agencies Have Implemented Most Corrective Actions or Have Made Advancements

Agencies implemented corrective actions or were making progress on the implementation of corrective action for 87 of 89 findings. All outstanding actions have been fully implemented for the following audits:

- Department of Behavioral Health and Developmental Services – Unannounced Inspections Calendar Year 2022.
- Department of Human Resource Management – Employee Recruitment.
- Department of Transportation – Snow Removal.
- Virginia Information Technologies Agency – Removal of Commonwealth Data from Electronic Media.

Two Entities Did Not Implement Corrective Action

The Department of General Services (DGS) and Department of Social Services (VDSS) did not provide documentation to validate management's response, declined to implement sufficient corrective action, or accepted the risk of not implementing action for one of their findings. Additional details for these entities can be found in the Audit Results section of this report.

For any findings not corrected as of June 30, 2023, for all, agency management has revised completion dates from July 2023 to December 2024. We encourage agencies to continue implementing corrective action on findings issued by OSIG.



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BACKGROUND

As part of the audit process, OSIG provides recommendations to state agencies to address risks identified during performance audits. OSIG offers audited agencies the opportunity to concur or not concur with its recommendations and provide a written response to the audit findings and recommendations prior to finalizing the audit report. Agencies have the responsibility to ensure timely implementation of audit recommendations through development of corrective action plans that address each recommendation. In the audit process, OSIG uses audit recommendations tracking as an integral part of monitoring the implementation status of audit recommendations. This provides OSIG with a vehicle to communicate and gather feedback on the status of the audit recommendations with the Governor and the audited agencies.

SCOPE

The follow-up audit scope covered outstanding review and audit findings as of June 30, 2023. The scope did not include all findings previously reported by OSIG, only those that OSIG identified as being of sufficient risk, where failure to implement corrective action would result in a failure of the process that would have an effect on or result in agency management not achieving goals.

OBJECTIVE

The objective of this follow-up audit was to report on the progress of agencies to ensure that management has effectively implemented corrective actions or that senior management has accepted the risk of not taking action.

METHODOLOGY

OSIG conducted this follow-up audit in accordance with generally accepted government auditing standards. Those standards require that OSIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. OSIG believes that the evidence obtained provides a reasonable basis for the findings and conclusion based on the audit objective. OSIG fieldwork over these findings was performed through the end of calendar year 2023.

To accomplish the audit objective, OSIG performed the following:

- Obtained the population of corrective actions as of June 30, 2023.
- Assessed relevant corrective actions and selected those identified needing further evaluation.
- Notified agencies whose corrective actions would be included in the follow up audit.

- Corresponded with agency points of contact by email, virtual and on-site meetings, or telephone interviews to obtain the status of their corrective actions.
- Requested and obtained documentation in support of corrective action progress made by agencies.
- Evaluated information obtained related to the corrective action status and assigned a disposition of action in progress, action complete or action not implemented and obtained updated estimated completion dates where applicable.

AUDIT RESULTS

The tables in the exhibits below detail the status of outstanding audit and review recommendations as of June 30, 2023. The tables categorize corrective actions as either implemented, in progress or not implemented. Corrective actions have been fully implemented for the following audits:

- Department of Behavioral Health and Developmental Services – Unannounced Inspections of DBHDS Facilities Calendar Year 2022.
- Department of Human Resource Management – Employee Recruitment Performance Audit.
- Department of Transportation – Snow Removal Performance Audit.
- Virginia Information Technologies Agency – Removal of Commonwealth Data from Electronic Media Performance Audit.

For entities that altered their corrective action plan or declined to implement OSIG’s recommendations, OSIG provides additional information as follows:

- DGS – DGS’ corrective action plan to address this finding was to work with VITA to establish a process for periodic quality assurance reviews with contracted data removal vendors. DGS in consultation with VITA reviewed and discussed the recommendation by taking a deep dive into existing VITA Information Security Standard requirements and their current data removal contract. DGS concluded that current processes in place mitigates potential risks.

OSIG has stated this recommendation will be listed as not implemented based on actions DGS agreed to take per their corrective action plan.

- VDSS – The Medicaid Enterprise System was launched April 4, 2023, to replace the existing legacy mainframe Medicaid Management Information System at DMAS. VDSS has communicated that VCCC error tickets continue to be submitted related to information bridging issues between VDSS and DMAS. VDSS is aware of this continuing issue and has worked with DMAS to input edits and additional controls into this process that has resulted in a reduction in the number of VCCC tickets submitted. VDSS has communicated that this issue is something they will learn to live with and have

accepted the risk surrounding it. As such, this action will be considered not implemented due to the condition still existing.

EXHIBIT 1 - Audit Reports with Corrective Actions Implemented

Agency	Report ID & Date	Finding Number & Title	Implementation Date
Department of Behavioral Health and Developmental Services	2022-BHDS-002 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Calendar Year 2021 April 18, 2022	16.1 - Corrective action for surveillance camera video availability and retention schedule	7/28/2023
Department of Conservation and Recreation	2021-PA-002 Natural Resources Law Enforcement Diversity in Hiring and Recruitment Performance Audit April 30, 2019	02.1 - Corrective Action for Outdated Performance Metric Methodology	9/29/2023
Department of Emergency Management	2023-PA-001 I-95 Snow Incident of January 3-4 Performance Audit August 11, 2022	01B.1 - VDEM Review lessons learned from said reports and incorporate them into policies and procedures where appropriate	6/2/2023
		02A.1 - VDEM - Define disaster-level snowfall for the Commonwealth	5/23/2023
		02B.1 - VDEM Research best practices related to disaster-level snow removal events	3/7/2023
		02B.2 - VDEM Research best practices related to assisting stranded motorists	12/30/2022
		02C.1 - VDEM Review the Commonwealth of Virginia Emergency Operations Plan (COVEOP) All-Hazards emergency plan for gaps and identify improvements	6/1/2023
		02D.1 - VDEM Reschedule winter weather exercise	3/7/2023
		02E.1 - VDEM Coordinate with FEMA to see if any specific training is available	3/21/2023
		03A.1 VDEM - Conduct Joint Information Center (JIC) training with	3/21/2023

Agency	Report ID & Date	Finding Number & Title	Implementation Date
		executive staff and state agency communications representatives	
		03B.1 VDEM - Conduct Joint Information Center (JIC) training with executive staff and state agency communications representatives	5/12/2023
		07A.1 VDEM - Review agency policies regarding incident management and coordination across agencies, including information sharing and dissemination	12/30/2022
		09.1 VDEM - Research and consider whether a declaration of preparedness	3/31/2023
Department of General Services	2022-PA-005 Department of General Services Fleet Management Services Performance Audit June 27, 2022	01.1 - Performance Measures Reporting - Corrective Action	12/1/2022
		02.1 - Fuel Exception Reports - Corrective Action	4/1/2022
		03.1 - OFMS Oversight of Fuel Card Exceptions Corrective Action	4/1/2022
Department of Human Resource Management	2020-PA-004 Department of Human Resource Management Employee Recruitment Management Performance Audit April 15, 2020	01.1 – Inaccurate Time-to-Hire Metrics	1/24/2023
		03.1 – Detailed Procedures Needed	1/9/2023
		04.1 – Users Not Proficient with System	1/4/2023
		05.1 – Inadequate Retention of Data Used to Calculate Recruitment Performance Measures	1/24/2023
Department of Social Services	2023-PA-002 Department of Social Services Child Protective Services Performance Audit September 22, 2022	04 - Several Localities Do Not Advertise the Mandated Reporter Portal Tool	6/30/2023
	2019-PA-002 Health and Human Resources Subrecipient Monitoring Performance Audit May 1, 2019	01.1 - Corrective Action for Medicaid Subrecipient Monitoring Process Oversight	8/9/2023
		02.1 - Corrective Action for Locality Corrective Plans	8/10/2023
		06.1 - Corrective Action for Information Bridging Between VaCMS and MMIS	9/19/2023

Agency	Report ID & Date	Finding Number & Title	Implementation Date
		08.1 - Corrective Action for Medicaid Subrecipient Monitoring Process Methodology	10/4/2023
Department of Transportation	2023-PA-001 I-95 Snow Incident of January 3-4 Performance Audit August 11, 2022	02A.1 VDOT - Define disaster-level snowfall for the Commonwealth	12/30/2022
		02B.1 VDOT - Research best practices related to disaster-level snow removal events	12/31/2022
		02B.2 VDOT - Research best practices related to assisting stranded motorists	12/30/2022
		02D.1 VDOT - Reschedule winter weather exercise	12/30/2022
		04A.1 VDOT - Track all internal resource requests between districts so there is statewide visibility during emergencies	12/30/2022
		06B.1 VDOT - Develop an interagency plan to identify and deploy resources to support stranded motorists	12/30/2022
		07A.1 VDOT - Review agency policies regarding incident management and coordination across agencies, including information sharing and dissemination	12/30/2022
		07B.1 VDOT - Review and, if necessary, update existing procedures for escalation of situational awareness to agency executives	12/30/2022
	2022-PA-003 Virginia Department of Transportation Snow Removal Performance Audit June 22, 2022	01.1 - Shortage of Contracts	2/15/2023
		02.1 - Improper Insurance Verification	2/6/2023
		03.1 - Validation of Contracting Equipment	3/3/2023
		04.1 - Central Filing of Snow Plans	2/7/2023
	Department of Wildlife Resources	2021-PA-002 Natural Resources Law Enforcement Diversity in Hiring and Recruitment Performance Audit	2A.1 - Corrective Action for Prioritize Investments in Community Engagement - DWR
2B.1 - Corrective Action for Involve NRLE Officers More to Enhance Community Engagement - DWR			8/29/2023
4B.1 - Corrective Action for Evaluate and Modify Hiring Practices - DWR			8/30/2023

Agency	Report ID & Date	Finding Number & Title	Implementation Date
Northern Virginia Mental Health Institute	2023-HCU-001 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Calendar Year 2022 April 3, 2023	01.1 - Corrective action for NVMHI not conducting fire drills	7/28/2023
Piedmont Geriatric Hospital	2023-HCU-001 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Calendar Year 2022 April 3, 2023	02.1 - Corrective action for PGH to adhere to the fire prevention code requirements for conducting fire watch	7/28/2023
Virginia Center for Behavioral Rehabilitation	2022-BHDS-002 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Calendar Year 2021 April 18, 2022	14.3 - VCBR corrective action for lack of policy or procedure for cleaning and replacement of oxygen-related supplies	7/28/2023
		15.1 - Corrective action for VCBR lack of policy on medical gas	7/28/2023
Virginia Information Technologies Agency	2022-PA-004 Removal of Commonwealth Data from Electronic Storage June 23, 2022	01.1 - Agency Internal Policies Requirements - Corrective Action	3/10/2023
		02.1 - COV Policy on Verification of Data Removal - Corrective Action	5/24/2023
		05.1 - Agencies Data Removal Process - Corrective Action	3/10/2023
Virginia State Police	2023-PA-001 I-95 Snow Incident of January 3-4 Performance Audit August 11, 2022	02B.1 VSP - Research best practices related to disaster-level snow removal events	12/1/2022
		02B.2 VSP - Research best practices related to assisting stranded motorists	12/30/2022
		02D.1 VSP - Reschedule winter weather exercise	4/1/2022
		07A.1 VSP - Review agency policies regarding incident management and coordination across agencies, including information sharing and dissemination	4/1/2022

EXHIBIT 2 - Audit Reports with Corrective Actions in Progress

Agency	Report ID & Date	Observation/Finding Number & Title	Updated Completion Date
Department of Behavioral Health and Developmental Services	2022-BHDS-001 OSIG Behavioral Health and Developmental Services Unit Report on Northern Virginia Mental Health Institute May 27, 2021	01.1 - DI205 Review	6/30/2024
		02.1 - Facility Director Guidance and/or Training	6/30/2024
		03.1 - DI205 Revision	6/30/2024
		04.1 - DI205 Revision	6/30/2024
	2020-BHDS-002 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Fiscal Years 2018 and 2019 November 13, 2019	02.1 - Corrective Action to Understaffed Shifts	12/31/2024
	05.1 - Corrective Action Effectiveness of TOVA Training at State Facilities	12/31/2023	
Department of Conservation and Recreation	2021-PA-002 Natural Resources Law Enforcement Diversity in Hiring and Recruitment Performance Audit April 30, 2019	1A.3 - Corrective Action for Need for A Collaborative Diversity Strategy - DCR	6/30/2024
		2A.1 - Corrective Action for Prioritize Investments in Community Engagement - DCR	6/30/2024
		2C.1 - Corrective Action for Better Involvement of External Partners to Enhance Community Engagement - DCR	6/30/2024
		2D.1 - Corrective Action for Better Coordinate	6/30/2024

Agency	Report ID & Date	Observation/Finding Number & Title	Updated Completion Date
		Community Engagement Events - DCR	
Department of Emergency Management	2023-PA-001 I-95 Snow Incident of January 3-4 Performance Audit August 11, 2022	06A.1 - VDEM Seek input from VDEM assigned OAG representative	6/30/2024
		06B.1 - VDEM - Develop an interagency plan to identify and deploy resources to support stranded motorists	6/30/2024
Department of General Services	2022-PA-005 Department of General Services Fleet Management Services Performance Audit June 27, 2022	04.1 - Manual Billing Process Corrective Action	12/31/2023
Department of Social Services	2023-PA-002 Department of Social Services Child Protective Services Performance Audit September 22, 2022	02 - Not All Capabilities of Verizon InContact Available to the State Hotline Are Utilized	12/31/2023
		03 - Local Internal Procedures and Public Messaging After Hours Lack Clarity and Accuracy	10/31/2023
		05 - Uneven Caseloads Lead to Processing Errors and Delays	6/30/2024
		09 - Not All Family Assessments Are Closed Timely	9/30/2023
	2019-PA-002 Health and Human Resources Subrecipient Monitoring Performance Audit May 1, 2019	04.1 - Corrective Action to Job Transition	4/2/2024
Department of Transportation	2023-PA-001 I-95 Snow Incident of January 3-4	01A.1 - Work with VDOT staff and review lessons learned from previous storms.	12/29/2023

Agency	Report ID & Date	Observation/Finding Number & Title	Updated Completion Date
	Performance Audit August 11, 2022	01B.1 - VDOT - Review lessons learned from said reports and incorporate them into policies and procedures where appropriate	12/29/2023
		04B.1 - VDOT - Coordinate messaging across VDOT disciplines to include Customer Service Center, roadway message boards, press releases, social media, 511, WEA, emergency direct messaging to motorists	9/30/2023
Department of Wildlife Resources	2021-PA-002 Natural Resources Law Enforcement Diversity in Hiring and Recruitment Performance Audit April 30, 2019	2D.1 - Corrective Action for Better Coordinate Community Engagement Events - DWR	3/31/2024
		3B.1 - Corrective Action for Collect Evidence on Outreach Events to Enhance Future Programming - DWR	3/31/2024
		5A.1 - Corrective Action for Collect and Analyze NRLE Employment Data - DWR	11/21/2023
Virginia Center for Behavioral Rehabilitation	2022-BHDS-002 Unannounced Inspections of Behavioral Health and Developmental Services Facilities Calendar Year 2021 April 18, 2022	26.1 - Corrective action for VCBR lack of treatment plan	12/31/2023
Virginia Department of Health	2021-PA-005 Virginia Department of Health Office of Drinking Water Drinking Water Regulation Program	01.1 - THE ODW Inspection Program Needs to Ensure Consistency Statewide	10/1/2023
		02.1 - ODW is not Fully Utilizing Enforcement Tools to Ensure Compliance	7/1/2023

Agency	Report ID & Date	Observation/Finding Number & Title	Updated Completion Date
	Performance Audit June 24, 2021	02.2 - ODW is not Fully Utilizing Enforcement Tools to Ensure Compliance	11/1/2023
		03.1 - ODW Administrative and Civil Remedies are not Fully Supported by the Enforcement Manual	7/1/2023
		04.1 – Weaknesses in ODW Water Sampling Oversight and Verification Process were Identified	7/1/2023
		05.1 – ODW Performance Metric Reports Lack Monitoring and Compliance Elements	7/1/2023
		06.1 - ODW Public Notice Oversight is Inconsistent	7/1/2023
		07.1 - ODW Regional Field Offices’ Monitoring and Oversight Policies are Inconsistent	7/1/2023
		08.1 - ODW Regional Field Offices Lack Quality Assurance/Quality Control Practices	7/1/2023
		09.1 - ODW Regional Compliance Specialists are Missing the Tools Necessary to be Effective	7/1/2023
		Virginia State Police	2023-PA-001 I-95 Snow Incident of January 3-4 Performance Audit
August 11, 2022	06B.1 - VSP - Develop an interagency plan to identify and deploy resources to support stranded motorists		12/31/2023

EXHIBIT 3 - Audit Reports with Corrective Actions Not Implemented

Agency	Report ID & Date	Observation/Finding Number & Title	Updated Completion Date
Department of General Services	2022-PA-004 Removal of Commonwealth Data from Electronic Storage Performance Audit June 23, 2022	04.1 - Contracted Data Removal Oversight - Corrective Action	3/10/2023
Department of Social Services	2019-PA-002 Health and Human Resources Subrecipient Monitoring Performance Audit May 1, 2019	06.1 - Corrective Action for Information Bridging Between VaCMS and MMIS	1/3/2023