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PERFORMANCE REVIEW

DEPARTMENT OF VETERANS' ASSISTANCE

AUDIT OVERVIEW

The Department of Veterans' Assistance Should Give Greater Priority in Completing the Plans for Using \$2.7 Million of Unspent Federal Emergency Relief Funds Towards Making Improvements at the State's Veterans Nursing Facility and Veterans Home

The Department of Veterans' Assistance Does Not Coordinate with the Division of Corrections and Rehabilitation to Assist Veterans Who Are Reentering Society from Incarceration



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December 9, 2024

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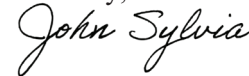
The Honorable Chris Phillips
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Building 1, Room 213E
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Dear Chairs:

Pursuant to the West Virginia Performance Review Act, West Virginia Code §4-10-7, we are transmitting an Agency Review of the *Department of Veterans' Assistance*. The issues covered herein are:

1. The Department of Veterans' Assistance Should Give Greater Priority in Completing the Plans for Using \$2.7 Million of Unspent Federal Emergency Relief Funds Towards Making Improvements at the State's Veterans Nursing Facility and Veterans Home.
2. Then Department of Veterans' Assistance Does Not Coordinate with the Division of Corrections and Rehabilitation to Assist Veterans Who Are Reentering Society from Incarceration.

We transmitted a draft copy of the report to the agency on November 14, 2024, and held an exit conference on November 22, 2024. We received the agency's written response on November 26, 2024. If you have any inquiries on this report, please let me know.

Sincerely,

John Sylvia

Enclosure

CONTENTS

Executive Summary	7
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Issue 1: The Department of Veterans' Assistance Should Give Greater Priority in Completing the Plans for Using \$2.7 Million of Unspent Federal Emergency Relief Funds Towards Making Improvements at the State's Veterans Nursing Facility and Veterans Home.....	9
Issue 2: The Department of Veterans' Assistance Does Not Coordinate with the Division of Corrections and Rehabilitation to Assist Veterans Who Are Reentering Society from Incarceration.....	17

List of Tables

Table 1: Department of Veterans' Assistance Federal Emergency Relief Funds.....	11
Table 2: Department of Veterans' Assistance Federal Emergency Relief Fund Balances as of September 17, 2024.....	11
Table 3: Department of Veterans' Assistance Purchases Using Federal Emergency Relief Funds	12
Table 4: Department of Veterans' Assistance Planned Projects Using Remaining Federal Emergency Relief Funds.....	13
Table 5: Division of Corrections and Rehabilitation Self-Reported Incarcerated Veterans in West Virginia State Prisons FY 2018 through FY 2023	20
Table 6: USVA Facilities Serving Veterans in West Virginia and Parts of Pennsylvania Number of Veterans Served FY 2018 through FY 2023.....	22

List of Appendices

Appendix A: Transmittal Letter	25
Appendix B: Objectives, Scope and Methodology	27
Appendix C: Agency Response	29

EXECUTIVE SUMMARY

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted a performance review of the Department of Veterans' Assistance pursuant to the Performance Review Act, Chapter 4, Article 10. Objectives of this audit were to determine if the Department of Veterans' Assistance (Department) complied with allowability guidance imposed and/or adopted over its spending of federal Coronavirus Aid, Relief, & Economic Security (CARES) and/or American Rescue Plan (ARP) monies, and to determine if there is sufficient and adequate coordination between the Department and the Division of Corrections and Rehabilitation (DCR) to provide effective re-entry assistance for veterans who are being released. The issues of this report are highlighted below.

Frequently Used Acronyms in this Report:

USVA - Department of Veterans Affairs
DCR - West Virginia Department of Corrections and Rehabilitation
CRCA - Coronavirus Response and Consolidated Appropriations Act
ARP - American Rescue Plan Act
PERD - Performance Evaluation and Research Division
OASIS - Our Advanced Solution with Integrated Systems

Report Highlights:

Issue 1: The Department of Veterans' Assistance Should Give Greater Priority in Completing the Plans for Using \$2.7 Million of Unspent Federal Emergency Relief Funds Towards Making Improvements at the State's Veterans Nursing Facility and Veterans Home

- The Department received over \$3.3 million in federal emergency relief funds in 2021 for its Nursing Facility and Veterans Home.
- As of November 2024, over \$2.7 million of the federal emergency relief funds remains unspent.
- The Department lists several important projects for the Nursing Facility and Veterans Home that it intends to spend the money on, and explains its slow spending of the funds as resulting from its limited staff, efforts to gain federal matching funds or grants, higher than expected costs of estimates, and vendor delays.
- PERD finds that, given how long the Department has had access to these emergency relief funds, that it should put a higher priority on using the funds to complete these important projects.

Issue 2: The Department of Veterans' Assistance Does Not Coordinate with the Division of Corrections and Rehabilitation to Assist Veterans Who Are Reentering Society from Incarceration

- According to West Virginia Code §9A-1-1(b), the Department is required to aid and assist honorably discharged veterans who have special needs because of incarceration. Hundreds of veterans in West Virginia state correctional facilities likely qualify for the Department's assistance, which would aid with their reentry into society and help to reduce veteran recidivism rates.

- PERD finds the Department does not actively engage with incarcerated veterans because it feels it would be a repetitive activity since the federal Department of Veterans Affairs (USVA) already works with incarcerated veterans.
- The Department does not have knowledge of the sufficiency or effectiveness of the USVA's services to West Virginia's incarcerated veterans or if it could be of assistance to the USVA.
- PERD finds that the Department should initiate outreach efforts to incarcerated veterans, either directly or through coordinated efforts with the USVA to ensure incarcerated and paroled veterans receive needed assistance and to fulfill the Department's statutory mission.

PERD's Response to the Agency's Written Response

The Department provided its written response to the report on November 26, 2024 (see Appendix C). The Department reported that it agrees with the findings and recommendations in the report and agrees to implement corrective actions relevant to the recommendations.

Recommendations

1. *PERD recommends that the Department should put a higher priority on spending the federal emergency relief funds to complete the projects needed to improve the veterans nursing facility and the veterans home.*
2. *The West Virginia Department of Veterans' Assistance should determine whether the United States Veterans Affairs is sufficiently and effectively serving West Virginia's incarcerated and paroled veterans.*
3. *The Department of Veterans' Assistance should coordinate with the United States Veterans Affairs and the West Virginia Division of Corrections and Rehabilitation to provide assistance as needed.*

ISSUE 1

The Department of Veterans' Assistance Should Give Greater Priority in Completing the Plans for Using \$2.7 Million of Unspent Federal Emergency Relief Funds Towards Making Improvements at the State's Veterans Nursing Facility and Veterans Home

Issue Summary

The Department of Veterans' Assistance (Department) received over \$3.3 million in federal emergency relief funds in May and June of 2021 through the Coronavirus Response and Consolidated Appropriations Act (2020) and the American Rescue Plan Act (2021). During the Third Extraordinary Session in October 2021, the Legislature made these emergency relief funds available to the Department for FY 2022 with the passage of SB 3013 and SB 3014, two supplementary appropriation bills of federal funds. As of September 17, 2024, the Department has spent \$563,281, or 17 percent, of the \$3.3 million to support facility operations, including infrastructure improvements and equipment upgrades at the State's veterans nursing facility and veterans home. The Performance Evaluation and Research Division (PERD) inquired concerning why a relatively small percentage of the federal emergency relief funds has been spent over the past three years, and whether the funds expire at some point. According to the Department, the United States Department of Veterans Affairs (USVA) stated that no expiration date is associated with the funds. The Department also acknowledged the extended time in which the funds remain unspent; however, it indicated that plans have been developed on how the funds will be used. Several reasons were cited by the Department for the delay in using the emergency relief funds, such as higher-than-expected quotations for some projects, and the limitations of a relatively small staff. PERD finds that the veterans nursing facility and the veterans home are facilities with significant needs, and the Department should give greater priority in completing the plans developed for the use of these federal emergency relief funds.

As of September 17, 2024, the Department has spent \$563,281, or 17 percent, of the \$3.3 million to support facility operations, including infrastructure improvements and equipment upgrades at the State's veterans nursing facility and veterans home.

The Department acknowledged the extended time in which the funds remain unspent; however, it indicated that plans have been developed on how the funds will be used.

The Department Received Over \$3.3 Million in Federal Emergency Relief Funds in 2021 for Its Nursing Facility and Veterans Home

In the months following the March 13, 2020, presidential declaration that the coronavirus disease (COVID-19) was a state of emergency, the United States Congress passed legislation aimed at providing economic assistance to sectors of the economy and governmental agencies. One of these pieces of legislation was the Coronavirus Response and Consolidated Appropriations Act (CRCA), Public Law

No. 116-260, which was enacted December 27, 2020. Section 517 of the CRCA provided one-time emergency payments to state departments serving veterans to support facility operations, including infrastructure improvements and equipment upgrades at existing state veterans extended care facilities. The second piece of legislation was the American Rescue Plan Act (ARP) of 2021, Public Law No. 117-2, enacted March 11, 2021. According to federal guidance received by the Department, Section 8004 of ARP specifies that the funds are also to be used for operating needs at existing state extended care facilities.

PERD requested the Department provide the dates by which it must spend ARP and CRCA monies. The Department responded that it had been advised by the USVA that no spending deadline is associated with the funds. As stated by the USVA to the Department:

The 09/30/2021 and the 09/30/2022 dates are availability dates by which to request the funding and the language does not stipulate a “use by” date but only a qualifying usage for each with the ARP funding being much broader in scope (operational needs).

For the sake of accuracy, the USVA sought consensus on its initial interpretation by obtaining a second opinion. The second opinion states:

I agree with the interpretation that law requires that the funds remain available to VA until September 30, 2021, but that date is not a deadline for when State Homes who receive such funds would have to use them. I do not see a date by which State Homes have to expend them, but it is possible such a date exists. If so, it would seem both logical and reasonable that it would be at least a year later (9/30/22), but I do not see that date requirement in the VA section of the law. It's possible it is somewhere in the general language of the law, but I haven't found it yet.

PERD requested the Department provide the dates by which it must spend ARP and CRCA monies. The Department responded that it had been advised by the USVA that no spending deadline is associated with the funds.

PERD finds the advice from the USVA to be non-committal as to spend-by dates for the emergency relief funds; nevertheless, the funds remain with the Department and it has not received any directive that the funds expire by a certain date. Both the CRCA and ARP funds were deposited into the Department's two pre-existing funds for receiving federal monies, one of which is for the operation and maintenance of the veterans home, and the other is used towards the operation of the nursing facility. Table 1 shows that the Department received \$915,529 in CRCA funds to be used at West Virginia's two extended care facilities for veterans, the Clarksburg nursing facility and the Barboursville veterans home. The Department also received over \$2.4 million in ARP funding for the same two facilities. In total, over \$3.3 million in federal emergency

relief funds has been received by the Department for the improvement of the two veteran facilities, most of which comes from ARP funding.

Table 1 Department of Veterans' Assistance Federal Emergency Relief Funds			
Entity	ARP	CRCA	Total Amount
Nursing Facility	\$1,315,090	\$500,950	\$1,816,040
Veterans Home	\$1,093,445	\$414,579	\$1,508,024
Total	\$2,408,535	\$915,529	\$3,324,064
Source: West Virginia Department of Veterans' Assistance.			

The Department has had spending authority of the federal emergency relief monies since October 2021. However, as shown in Table 2, as of September 17, 2024, over \$2.7 million, or 83 percent of the funds is unspent.

Over \$2.7 Million of the Federal Emergency Relief Funds Remains Unspent

The Department has had spending authority of the federal emergency relief monies since October 2021. However, as shown in Table 2, as of September 17, 2024, over \$2.7 million, or 83 percent of the funds is unspent. Twenty (20) percent has been spent on the nursing facility, while 14 percent has been spent on the veterans home. Overall, 17 percent of the federal emergency relief funds has been spent over the last three years.

Table 2 Department of Veterans’ Assistance Federal Emergency Relief Fund Balances as of September 17, 2024			
Topic	Nursing Facility	Veterans Home	Totals
Total Amount Received	\$1,816,040	\$1,508,024	\$3,324,064
Total Amount Spent	\$358,160	\$205,121	\$563,281
Total Unspent Amount	\$1,457,880	\$1,302,903	\$2,760,783
Percent of Received Funds Spent	20%	14%	17%
Expiration of Funds	None		
Sources: Department of Veterans’ Assistance for the Total Amount Received, Our Advanced Solution with Integrated Systems (OASIS) for the Total Amount Spent (WV-FIN-GL-062, Account Status Report), and PERD calculations for the Total Unspent Amount and Percent of Received Funds Spent.			

The Department provided a list of items showing purchases using the emergency relief funds along with planned purchases using the

remaining funds. PERD confirmed all expenditures made with federal emergency relief funds through the State's central accounting system, Our Advanced Solution with Integrated Systems (OASIS). Table 3 below lists the emergency relief expenditures confirmed by PERD as of September 17, 2024. Most purchases were for the nursing facility.

Table 3 Department of Veterans' Assistance Purchases Using Federal Emergency Relief Funds			
Project	Emergency Relief Monies	Facility	Purchase Date
Wheelchair Accessible Van	\$119,377	Veterans Home	8/16/2024
Medication Carts	\$19,731	Nursing Facility	5/10/2024
Tractor	\$18,281	Nursing Facility	4/29/2024
Floor Scrubber	\$9,725	Nursing Facility	1/26/2024
Commercial Freezer	\$5,271	Nursing Facility	1/11/2024
Design and Bid Phases for a nurse call system and the laundry facility	\$43,239	Nursing Facility	August 2023 – June 2024
Emergency HVAC system Upgrade	\$11,800	Nursing Facility	2/22/2023
Pickup Truck	\$46,999	Nursing Facility	10/19/2022
Minivan	\$57,570	Nursing Facility	5/4/2022
Flooring	\$12,439	Nursing Facility	3/20/2022
Shoe Sole Sanitizers (5)	\$21,711	Nursing Facility	3/3/2022
Storage Building	\$11,760	Nursing Facility	2/25/2022
Negative Air Machine (Air Scrubber)	\$48,225	Veterans Home	12/21/2021
Other Items	\$137,154	Nursing/Home	---
Total	\$563,281		
<i>Sources: West Virginia Department of Veterans' Assistance, and OASIS data using WV-FIN-GL-062, Account Status Report.</i>			

Table 4 shows 10 purchases the Department plans to make using the remaining \$2,760,783 in emergency relief funds, as of September 9th, 2024. Nine of the 10 projects are to be fully funded by the emergency relief funds, while the commercial kitchen renovation at the nursing facility is to be funded by a combination of emergency relief funds, USVA construction grants, and special revenues. The Department has estimated completion dates for 6 of the 10 projects, all of which are towards the end of calendar year 2024. It should be noted that the total amount (\$2,812,547) for the 10 planned projects currently exceeds the remaining federal emergency relief balance of \$2,760,783 by \$51,764.

Nine of the 10 projects are to be fully funded by the emergency relief funds. The Department has estimated completion dates for 6 of the 10 projects, all of which are towards the end of calendar year 2024.

The excess costs will have to be covered by other funds. Although some of the estimated costs may be lower than expected, the longer the agency takes to complete these projects, the more likely the costs may rise due to inflation. **The Department should put a higher priority on completing these projects to avoid any inflationary impact.**

Table 4
Department of Veterans' Assistance
Planned Projects Using Remaining Federal Emergency Relief Funds*

Project	Estimated Total Cost	Emergency Relief Monies	Other Funding**	Facility	Estimated Completion Date
Replace Fire Control Pump and Panel	\$57,615	\$57,615	\$0	Veterans Home	9/30/2024
Commercial Kitchen Renovation	\$3,480,954	\$400,000	\$3,080,954	Nursing Facility	10/31/2024
Replace HVAC Systems	\$319,000	\$319,000	\$0	Veterans Home	12/31/2024
Replace Furniture, Beds, Bedding	\$336,000	\$336,000	\$0	Veterans Home	12/31/2024
Replace PVC Ceiling Tiles	\$78,000	\$78,000	\$0	Veterans Home	---
Wi-Fi Installation	\$156,000	\$156,000	\$0	Veterans Home	---
Nursing Station Renovation	\$380,355	\$380,355	\$0	Veterans Home	---
Nurse Call System	\$847,800	\$847,800	\$0	Nursing Facility	---
Replace Carpeting	\$133,777	\$133,777	\$0	Nursing Facility	12/31/2024
Commercial Laundry Equipment	\$104,000	\$104,000	\$0	Nursing Facility	12/31/2024
Total	\$5,893,501	\$2,812,547	\$3,080,954		

Source: Department of Veterans' Assistance.

*As of September 9th, 2024.

**Other funds include special revenues and USVA construction grants.

According to the Department, It Is On a “Slow Timeline” to Spend Emergency CRCA and ARP Monies

As previously stated, the Department has interpreted federal guidance to mean that there is no deadline by which the federal emergency relief funds must be spent. The Department further stated that “by design” it has taken a cautious approach to spending the federal funds; “so cautious

that spending has been on a slow timeline.” The Department provided the following reasons for this decision:

- The amount of money was “not overwhelming, especially when compared with the significant, extensive (and expensive) needs” at both the nursing facility and the home. Consequently, it did not “want to rush” to spend this money, because it wanted to make “wise choices” as it weighed determining factors.
- Higher-than-expected quotations delayed starting some projects and one project resulted in unexpected needs leading to unexpected expenses.
- The Department stated that it initially considered, in some cases, spending emergency relief money on high-dollar projects that it believed would qualify for grant funding, which the federal government would reimburse later, allowing the Department to recoup some of the emergency relief funds spent. The Department ultimately decided against this approach out of concern over the possibility of it being denied grant money as, in that scenario, it will have exhausted too much of its ARP/CRCA funding without addressing other needs. The Department also acknowledged that grant timelines are slow and “sometimes years in the utilization.”
- The agency is an “extremely small department” compared to most state cabinet-level departments. Since projects are time-consuming to complete and require staff members’ full attention, the Department has its “staff work on a few focus-intensive issues at a time.”
- Vendor delays have occurred due to difficulty finding parts.
- The Department needed to revise estimated costs.

The Department has interpreted federal guidance to mean that there is no deadline by which the federal emergency relief funds must be spent.

Most of the planned projects will use the emergency funds exclusively, which removes the burden of using other funds.

PERD finds that spending the federal emergency relief funds has been slower than might be expected. However, the Department has identified what it claims are important projects to pursue for the betterment of the veterans nursing facility and veterans home. Therefore, given the availability of emergency relief funds, PERD recommends that the Department should put a higher priority on completing these projects.

Conclusion

PERD acknowledges the Department’s efforts to spend federal

emergency relief funds. Although a relatively small percentage of the emergency funds has been spent over the past three years, important projects have been planned. Most of the planned projects will use the emergency funds exclusively, which removes the burden of using other funds. Given the needs at the two veteran facilities, the Department should place more priority on completing these projects for the betterment of these facilities.

Recommendation

1. *PERD recommends that the Department should put a higher priority on spending the federal emergency relief funds to complete the projects needed to improve the veterans nursing facility and the veterans home.*

ISSUE 2

The Department of Veterans' Assistance Does Not Coordinate with the Division of Corrections and Rehabilitation to Assist Veterans Who Are Reentering Society from Incarceration

Issue Summary

West Virginia Code §9A-1-1(b) mandates the Department to aid, assist, counsel, and advise veterans, including those incarcerated. When PERD asked if the Department coordinates with the Division of Corrections and Rehabilitation (DCR) to identify and assist incarcerated veterans who are about to be release or are on parole, the Department stated that since FY 2019, it has not had a formal system to identify and assist incarcerated veterans whether they are on parole or about to be released from prison. The Department stated that from FY 2019 through FY 2023, it had fewer than 100 contacts with incarcerated veterans but lacks details on the assistance provided. One of the reasons cited by the Department for not coordinating with the DCR is that the United States Department of Veterans Affairs (USVA) formally coordinates with the DCR and the State's Parole Services. PERD confirmed that the USVA periodically receives information from the DCR and Parole Services on veterans who are paroled or about to be released from prison. It is reasonable for the Department to avoid duplicating what the USVA may be doing. However, the Department does not know the extent to which the USVA is utilizing the DCR data or if the USVA would welcome the Department's assistance. According to the DCR, nearly 500 West Virginia veterans were incarcerated annually from FY 2018 through FY 2023, and, according to Parole Services, around 700 were paroled over the same six-year period. Incarcerated and paroled veterans are an identified population within the corrections system that has a high risk of suicide and that needs reentry assistance to avoid recidivating. PERD finds that the Department should fulfill its statutory duty to assist incarcerated and paroled veterans either directly or in coordinated efforts with the USVA and other state agencies to facilitate their successful reentry into society. If other agencies are fulfilling this mission, then the Department should monitor such efforts to ensure they are effective and comprehensive through regular communication with the USVA and the DCR.

West Virginia Code §9A-1-1(b) mandates the Department to aid, assist, counsel, and advise veterans, including those incarcerated.

One of the reasons cited by the Department for not coordinating with the DCR is that the United States Department of Veterans Affairs (USVA) formally coordinates with the DCR and the State's Parole Services. However, the Department does not know the extent to which the USVA is utilizing the DCR data or if the USVA would welcome the Department's assistance.

The Department Stated that It Reduced Its Efforts of Reaching Out to Incarcerated or Paroled Veterans

West Virginia Code §9A-1-1(b), quoted below, describes the primary purpose of the Department:

*The purpose of the department is to aid, assist, counsel and advise, and to encourage competition among counties and municipalities to develop, improve and enhance veteran-friendly services, benefits and assistance to, veterans who have served in and been honorably discharged or separated under honorable conditions from the Armed Forces of the United States and their widows, widowers and dependents, **including populations of veterans who may have special needs as a result of homelessness, incarceration or physical or mental disabilities.** [emphasis added]*

To achieve this statutory mandate, W. Va. Code §9A-1-10(l) assigns the secretary of the Department with the power and duty to “*provide resources for a program which will promote a greater outreach to veterans and which will advise them of the benefits and services that are available; and to promote the efficiency of the department.*”

Given that incarcerated and paroled veterans are a discernible population within the DCR and Parole Services, PERD inquired if the Department coordinates with the DCR and Parole Services to identify and offer assistance to veterans who are on parole or are about to be released from prison. Initially the Department advised PERD that it “*essentially withdrew in 2019 from the mission of aggressively seeking to contact incarcerated veterans.*” PERD inquired further about the circumstances that led to this withdrawal decision and what outreach efforts, if any, it made towards incarcerated veterans prior to 2019. The Department responded that it wanted to offer “clarification,” noting that though it previously made references to withdrawing from the mission of contacting incarcerated veterans, it wanted to make clear that it is not hesitant to meet with incarcerated veterans when requested to do so. However, the Department further clarified that such meetings are “*not a high priority,*” and that its staff does not recall whether a system for locating incarcerated veterans has ever been in place. Furthermore, the Department is unaware of any previous outreach policy or official policy change but has always responded to incarcerated veterans and assisted them when requested to do so, an approach that “*remains in effect today.*”

According to the Department, the reasons for not coordinating with the DCR or Parole Services are because:

- the effort would duplicate the work of USVA service officers;
- the Department is limited in staff;
- the Department is more effective using its limited resources to assist non-incarcerated veterans who can receive a significantly larger percentage of their benefits;

The Department wanted to make clear that it is not hesitant to meet with incarcerated veterans when requested to do so. However, the Department further clarified that such meetings are “not a high priority,” and that its staff does not recall whether a system for locating incarcerated veterans has ever been in place.

- the Department’s caseload is overburdened at the service office levels;
- the Department does not operate a job placement system that is geared to veterans;
- only paper and pencils can be used in the prisons which makes the process of serving incarcerated veterans cumbersome;
- it would be a “big ask” of DCR for it to transport incarcerated veterans for medical evaluations needed to receive benefits; and
- the efforts to serve incarcerated veterans, when successful, result in only limited benefits because incarcerated veterans are generally eligible for only around 10 percent of their benefits.

Hundreds of Incarcerated Veterans in State Facilities Likely Qualify for Assistance from the Department

The United States Department of Justice’s Bureau of Justice Statistics issued a report titled, *Veterans in Prison: Survey of Prison Inmates, 2016* (released in 2021), which states that 59 percent of male veterans and 67 percent of female veterans in state prisons have honorable discharges. In federal prisons, 66 percent of male veterans and 74 percent of female veterans have honorable discharges. Table 5 shows that from FY 2018 to FY 2023, an annual average of almost 500 veterans were incarcerated in state prisons or regional jails. For all incarcerations, an average of 90 percent is eligible to be released, and each year on average 56 percent of those eligible for release are released. All honorably discharged veterans in West Virginia’s state correctional facilities qualify for assistance from the Department and are eligible for their full benefits and services upon release. The assistance in applying for benefits and services could aid their reentry into society and reduce recidivism. The Department stated that it has assisted incarcerated veterans and their families with preserving their disability compensation. However, it could not confirm if this was the type of assistance it provided to incarcerated veterans over the last six years. Consequently, veterans who are, or were, incarcerated in West Virginia may not be receiving or may not be aware of benefits and services they qualify for that could facilitate a successful reentry.

Veterans who are, or were, incarcerated in West Virginia may not be receiving or may not be aware of benefits and services they qualify for that could facilitate a successful reentry.

Table 5
Division of Corrections and Rehabilitation
Self-Reported Incarcerated Veterans
in West Virginia State Prisons
FY 2018 through FY 2023

Fiscal Year	Number of Veterans Incarcerated	Percent Eligible to Be Released (for All Incarcerated)	Those Released as a Percent of Those Eligible to Be Released
2018	592	90%	53%
2019	569	91%	62%
2020	501	90%	65%
2021	454	90%	45%
2022	425	89%	54%
2023	413	90%	54%
Average	492	90%	56%
Source: West Virginia Division of Corrections and Rehabilitation. Unaudited by PERD.			

The Department Does Not Coordinate with the DCR, the USVA, or Parole Services to Aid Veterans Reentering the Community

According to the Department, there is no formal system of coordination with the DCR for reasons previously listed. One reason provided by the Department is that the USVA employs staff whose purpose is to contact incarcerated veterans. The Department reports that its involvement “served as repetitive activity when our staff members could more effectively be utilized through itinerant visits across the state. Bottom line, we visit when we are asked to visit an inmate.” While avoiding duplication is understandable, there is no evidence that the Department has any knowledge of this identifiable population which is within its purview, whether the USVA is meeting the population’s needs, or whether the USVA would welcome assistance from the Department.

PERD subsequently sought to confirm if the DCR coordinates with outside agencies to identify and assist incarcerated or paroled veterans. The DCR’s response did not reference the Department; however, the DCR indicated that it has sent a list of incarcerated veterans monthly to the

There is no evidence that the Department has any knowledge of this identifiable population which is within its purview, whether the USVA is meeting the population’s needs, or whether the USVA would welcome assistance from the Department.

USVA since September 2023. The USVA informed PERD that it uses the DCR-provided list of incarcerated veterans to inform its outreach visits to state correctional facilities. Furthermore, the USVA indicated that contact with DCR employees typically produces “quick and productive results.” The USVA also stated that DCR parole officers typically request USVA assistance in establishing home plans for veterans who are eligible to be released from prison.

As for cooperation and coordination with the Department, the USVA cited an example in which one of its employees included an employee of the Department in some visits inside jails and state prisons to assist with establishing “post-release linkages and referrals.” The USVA did not provide details on dates or the frequency of this type of coordination with the Department. The USVA also noted that it is unaware of whether the Department has ever contacted the USVA for assistance in the Department’s own efforts in assisting incarcerated veterans.

PERD also contacted Parole Services, which comes under the authority of the DCR, to ask if Parole Services has an ongoing line of communication with either the USVA or the Department to assist in identifying and aiding paroled veterans, and if so, to what extent is the coordination. The two Parole Services regional directors stated that they have no interaction with the Department, but they have a “good partnership” and “good working relationship” with USVA personnel to assist recently paroled veterans. The regional directors also specified that USVA personnel assist West Virginia’s soon-to-be-released veterans with developing valid home plans and then assist paroled veterans with several transitional issues, including housing, medical concerns, transportation, employment assistance, food drives, clothing assistance, qualifying them for service-connected disability payments, and general guidance and support. One of the regional directors stated that the USVA does an “outstanding job” and highlighted an example of one USVA employee who regularly tours state jails and prisons, providing information to veterans before they are released, and further noted that he could “go on for hours talking about the great work” USVA personnel do in assisting West Virginia’s paroled veterans.

The USVA also noted that it is unaware of whether the Department has ever contacted the USVA for assistance in the Department’s own efforts in assisting incarcerated veterans.

PERD also inquired about the number of veterans on parole in West Virginia from FY 2018 to FY 2023 and how such numbers would be determined. Parole Services indicated that it does not track or record data on the number of paroled veterans; however, the data were obtained through the DCR. The data DCR provided Parole Services indicates that 716 military veterans have been placed on parole since 2018. This figure does not likely represent only veterans from West Virginia since Parole

Services also supervises offenders from other states. The data were not available by fiscal year.

It Is Not Known If the USVA Needs Assistance from the Department

Table 6 shows the unduplicated number of veterans served by the USVA's Veterans Justice Programs staff at its five USVA facilities in West Virginia and parts of western Pennsylvania (Beckley, WV; Clarksburg, WV; Huntington, WV; Martinsburg, WV; and Pittsburgh, PA) from fiscal years 2018 through 2023.¹ These figures include veterans seen through USVA outreach in prison and jail facilities, but also justice-impacted veterans who were served in other settings such as Veterans Treatment Courts. Consequently, the number of incarcerated veterans from West Virginia who receive assistance from the USVA is unknown.

Table 6 USVA Facilities Serving Veterans in West Virginia and Parts of Pennsylvania Number of Veterans Served FY 2018 through FY 2023					
FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
922	846	862	984	873	1,012
<i>Source: United States Department of Veterans Affairs.</i> <i>Unaudited by PERD.</i>					

The Department asserts that it does not need to be active in assisting incarcerated veterans since the USVA already assists them. However, without any communication with the USVA or other agencies, the Department has no means of knowing the extent or effectiveness of the USVA's service to West Virginia incarcerated veterans.

The Department asserts that it does not need to be active in assisting incarcerated veterans since the USVA already assists them. However, without any communication with the USVA or other agencies, the Department has no means of knowing the extent or effectiveness of the USVA's service to West Virginia incarcerated veterans. Although it is not PERD's responsibility to evaluate the USVA's efforts in assisting West Virginia's incarcerated veterans, evidence from our review confirms that the USVA is assisting the State's incarcerated veterans. However, the sufficiency of the USVA's efforts is unknown. Therefore, the Department should communicate with the USVA and other agencies to determine the sufficiency of their efforts and determine if the Department's assistance is warranted. Given that serving incarcerated and paroled veterans in West Virginia is a statutory responsibility of the Department, it should not completely abdicate this responsibility to another agency.

¹ *The USVA's Veterans Justice programs focus on identifying justice-impacted veterans and contacting them to facilitate access to USVA services at the earliest possible points to help them obtain benefits and services for a successful reentry into society.*

Conclusion

The Department is statutorily required to advise and assist honorably discharged or separated veterans regarding available benefits and services. The veteran population that the Department is mandated to serve includes incarcerated and paroled veterans. PERD examined the Department's activities as they relate to incarcerated and paroled veterans because this is an identifiable population within the Division of Corrections and Rehabilitation, and coordination with the DCR would provide much needed services to facilitate the successful reentry of incarcerated veterans. PERD finds that the Department does not actively engage with incarcerated or paroled veterans unless specifically requested because the USVA has been serving this population since September 2023. Although PERD determined that there is coordination between the USVA and the DCR, the Department does not have knowledge of the sufficiency or effectiveness of the USVA's services to West Virginia's incarcerated veterans or if the Department could be of assistance to the USVA. To fulfill its statutory mission, the Department should initiate outreach efforts to incarcerated veterans, either directly or through coordinated efforts with the USVA to ensure incarcerated and paroled veterans receive needed assistance.

To fulfill its statutory mission, the Department should initiate outreach efforts to incarcerated veterans, either directly or through coordinated efforts with the USVA to ensure incarcerated and paroled veterans receive needed assistance.

Recommendations

2. *The West Virginia Department of Veterans' Assistance should determine whether the United States Veterans Affairs is sufficiently and effectively serving West Virginia's incarcerated and paroled veterans.*
3. *The Department of Veterans' Assistance should coordinate with the United States Veterans Affairs and the West Virginia Division of Corrections and Rehabilitation to provide assistance as needed.*

Appendix A

Transmittal Letter

WEST VIRGINIA LEGISLATURE

Performance Evaluation and Research Division

1900 Kanawha Blvd. East
Building 1, Room W-314
Charleston, WV 25305-0610
(304) 347-4890



John Sylvia
Director

November 14, 2024

Edward Diaz, Cabinet Secretary
Department of Veterans' Assistance
1900 Kanawha Blvd., East
Building 5, Room 205
Charleston, WV 25305

Dear Secretary Diaz:

This is to transmit a draft copy of the Agency Review of the Department of Veterans' Assistance. This report is tentatively scheduled to be presented during the December 8-10, 2024, interim meeting of the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to answer any questions committee members may have during or after the meeting.

We need to schedule an exit conference to discuss any concerns you may have with the draft report. We would like to have the meeting any day from November 15 to 20, 2024. Please notify us to schedule a time. In addition, we will need your written response by noon on Tuesday, November 26, 2024, for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 304-340-3192 by Thursday, December 5, 2024, to make arrangements.

We request that your personnel not disclose the report to anyone unaffiliated with your agency. However, we advise that you inform any non-state government entity of the content of this report if that entity is unfavorably described, and request that it not disclose the content of the report to anyone unaffiliated with its organization. Thank you for your cooperation.

If you have questions, please contact Andrew Holt, Research Analyst, or Jill Mooney, Research Manager at 304-347-4890. Thank you for your cooperation in responding to this request.

Sincerely,

A handwritten signature in cursive script that reads "John Sylvia".

John Sylvia

Appendix B

Objectives, Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this performance review of the Department of Veterans Assistance (Department) as required and authorized by the West Virginia Performance Review Act, Chapter 4, Article 10, of the West Virginia Code, as amended. The purpose of the Department of Veterans Assistance, as stated in West Virginia Code §9A-1-1(b), is to aid, assist, counsel and advise, veterans who have served and been honorably discharged or separated under honorable conditions from the Armed Forces of the United States. The Department is also required to serve the widows, widowers and dependents of veterans, and veterans who may have special needs as a result of homelessness, incarceration or physical or mental disabilities. The Department is also tasked to encourage competition among counties and municipalities to develop, improve and enhance veteran-friendly services.

Objectives

An objective of this review was to determine if the Department complied with allowability guidance imposed over its spending of federal Coronavirus Aid, Relief, & Economic Security (CARES), and American Rescue Plan (ARP) monies. An additional objective was to determine if sufficient and adequate coordination exists between the Department and the Division of Corrections and Rehabilitation (DCR) to provide effective reentry assistance for veterans who are being released or were recently released.

Scope

The scope of this review involved the Department's adherence to applicable federal and state laws and rules or regulations governing the spending of CARES and ARP funds, and how these funds were expended during fiscal years 2020 through 2024. The scope further included the Department's plans for unexpended award monies. Additionally, the scope included a review of data, policies, and procedures as they relate to coordination between the Department, the DCR, Parole Services, and the United States Veterans Administration (USVA), in identifying and aiding incarcerated veterans nearing release or who were on parole.

Methodology

PERD gathered and analyzed several sources of information and conducted audit procedures to assess the sufficiency and appropriateness of the information used as audit evidence. The information gathered and audit procedures are described below. Testimonial evidence was gathered for this review through interviews with the Department of Veterans Assistance's staff or other agencies to gain an understanding of their policies, procedures, or internal controls. Such information was confirmed by written statements of the agency and in some cases by corroborating evidence.

One audit objective was to examine the Department's use of federal Coronavirus Aid, Relief, & Economic Security (CARES), and American Rescue Plan (ARP) monies. PERD sought to determine how the funds were being spent and if the agency is making use of the funds before the funds expired if expiration dates applied. We interviewed staff concerning expiration dates of the funds and PERD received written information from the USVA indicating that no expiration dates apply. PERD also requested data on expenditures made with the federal funds to determine the extent to which these funds had been expended. The Department provided a list of expenditures made through the federal emergency relief funds. PERD confirmed the expenditures using data from the State's centralized accounting system, Our Advanced Solution with Integrated Systems

(OASIS). During this confirmation process, PERD found other expenditures not listed by the Department that were made from the emergency relief funds. The analysis arrived at percentages of the total emergency funds that show how much has been expended and remained unexpended. PERD further inquired about the plans for the use of the unexpended funds, and why a relatively large percentage of the emergency relief funds remains unexpended after three years. PERD determined that the data used in the analysis were sufficient and appropriate. The method by which OASIS data are evaluated is stated below.

Since incarcerated and paroled veterans within the DCR can be identified, PERD evaluated if the Department coordinated with the DCR to provide effective reentry assistance for veterans. Much of the information for this audit objective was testimonial from the Department, the DCR and its Parole Services, and the USVA. Each entity substantiated the testimony of the other agencies. PERD also obtained data from the Department, the DCR, and the USVA on the incarcerated veteran population in West Virginia and what type of aid each entity provides to incarcerated veterans. PERD determined the data and testimonial evidence were sufficient and appropriate.

The Office of the Legislative Auditor reviews the statewide single audit and the Division of Highways financial audit annually with regards to any issues related to the State's financial system known as the West Virginia Our Advanced Solution with Integrated Systems (OASIS). The Legislative Auditor's staff requests and reviews on a quarterly basis any external or internal audit of OASIS. In addition, through its numerous audits, the Office of the Legislative Auditor continuously tests the OASIS financial information. Also, at the start of each audit, PERD asks audited agencies if they have encountered any issues of accuracy with OASIS data. Based on these actions, along with the audit tests conducted on audited agencies, it is our professional judgement that the information in OASIS is reasonably accurate for auditing purposes under the 2024 Government Auditing Standards (Yellowbook). However, in no manner should this statement be construed as a statement that 100 percent of the information in OASIS is accurate.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C

Agency Response



STATE OF WEST VIRGINIA DEPARTMENT OF VETERANS ASSISTANCE

EDWARD A. DIAZ
CABINET SECRETARY

November 26, 2024

John Sylvia, Director
Performance Evaluations and Research Division
West Virginia Legislative Auditor's Office
1900 Kanawha Boulevard East, Room W-314
Charleston, WV 25305

Director Sylvia:

The West Virginia Department of Veterans Assistance has carefully reviewed the report presented by the Performance Evaluations and Research Division. We appreciated the work put in by PERD's highly professional staff, as well as the opportunity to discuss with you the findings that that staff offered.

The WVDVA concurs with the report's recommendation that the Department should put a higher priority on spending the federal emergency funding and has taken measures to accelerate project timelines. Since the date of PERD's report (September 9, 2024), projects listed in Table 4 have seen significant progress.

- Replacement of the fire pump controller at the West Virginia Veterans Home has been completed.
- Solicitation for the HVAC replacement for the West Virginia Veterans Home has been published and will close on November 27, 2024.
- The West Virginia Veterans Home has begun purchasing PVC ceiling tiles incrementally and replacing as scheduling permits.
- At the West Virginia Veterans Nursing Facility, the contract for carpeting/flooring replacement was awarded on September 23, 2024, and the work has begun.
- The construction documents for the nurse-call replacement project at the West Virginia Veterans Nursing Facility are complete and being reviewed by the federal Veterans Administration. The Department anticipates the solicitation will be delivered to the Purchasing Division the first week of December.
- The kitchen renovation project at the West Virginia Veterans Nursing Facility requires a Phase I Environmental Assessment. This process is nearing completion and will need to be approved by the federal Veterans Administration prior to publication of the solicitation.

The WVDVA will continue to monitor project timelines to ensure timely movement.

The WVDVA also concurs that the PERD recommendations regarding the notification and care of incarcerated veterans are appropriate. The WVDVA during the next three months will have discussions with both the U.S. Veterans Administrations and the West Virginia Division of

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**STATE OF WEST VIRGINIA
DEPARTMENT OF VETERANS ASSISTANCE**

**EDWARD A. DIAZ
CABINET SECRETARY**

Corrections and Rehabilitation in an effort to re-establish protocol that would ensure that veterans in need of benefits counseling (or any other addressable needs) will be assisted.

We at the WVDVA appreciate the efforts that PERD staff made to understand both the scope of work we perform and the limitations that we face because of the small size of our department.

Sincerely,

Randy Coleman
Deputy Cabinet Secretary/Chief of Staff
West Virginia Department of Veterans Assistance

Cc: Jill Mooney, Andrew Holt

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