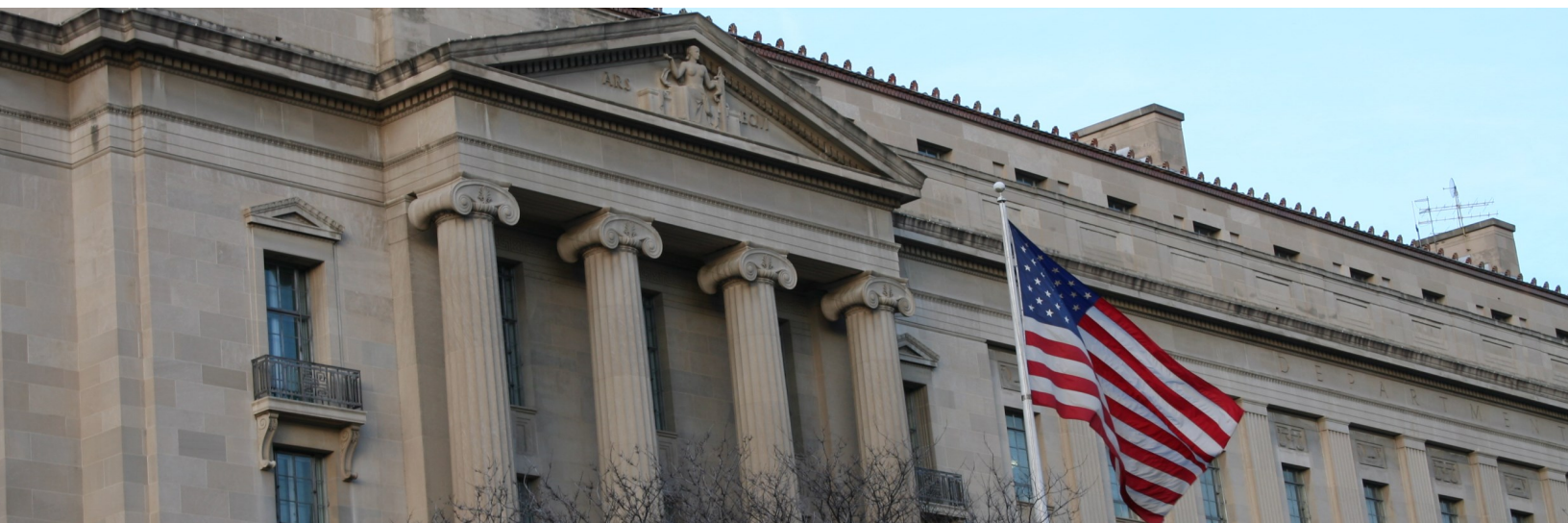




Office of the Inspector General
U.S. Department of Justice

OVERSIGHT ★ INTEGRITY ★ GUIDANCE



**Audit of the Office of Justice Programs
Office for Victims of Crime Victim
Compensation Formula Grants Awarded to
the Idaho Industrial Commission's Crime
Victims Compensation Program,
Boise, Idaho**

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report for privacy reasons. The redactions are contained only in Appendix 2, the grantee's response, and are of individual names.

Audit Division GR-60-18-006

June 2018



Executive Summary

Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Compensation Formula Grants Awarded to the Idaho Industrial Commission's Crime Victims Compensation Program, Boise, Idaho

Objective

The objective of the audit was to evaluate how the Idaho Industrial Commission's (IIC) Crime Victims Compensation Program (CVCP) designed and implemented its crime victim compensation program. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning and execution, (2) program requirements and performance reporting, and (3) grant financial management.

Results in Brief

As a result of our audit, we concluded that the CVCP used its victim compensation grant funding appropriately to provide financial support for crime victims. This audit did not identify significant issues regarding the CVCP's intake, adjudication, appeals procedures for applications and individual claims, or compliance with the award's special conditions we tested. However, we identified issues with how the CVCP performance reports were compiled and found that the CVCP lacked policies and procedures related to program implementation, state certification, performance reporting, financial reporting, and grant expenditures.

Recommendations

Our report contains seven recommendations to assist the CVCP in improving its grant management and administration. We requested a response to our draft audit report from the CVCP and the Office of Justice Programs (OJP), which can be found in Appendices 2 and 3, respectively. Our analysis of those responses is included in Appendix 4.

Audit Results

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three *Victims of Crime Act* (VOCA) victim compensation formula grants awarded by the OJP, Office for Victims of Crime (OVC) to the IIC in Boise, Idaho. The OVC awarded these formula grants, totaling \$2,051,000 for fiscal years (FY) 2014 through 2016, from the Crime Victims Fund (CVF) to provide financial support through the payment of compensation benefits to crime victims throughout Idaho. The CVCP drew down a cumulative amount of \$984,000 for all of the grants we reviewed. However, as of February 2018, the CVCP had not drawn down any funding from the FY 2016 award.

Program Accomplishments – The CVCP's implementation of its victim compensation program was appropriate and generally in compliance with the VOCA Guidelines.

Planning and Execution – We found the CVCP's written policies and procedures on processing applications and claims for the intake and adjudication of the compensation application with a formal appeals process appeared to be consistent with VOCA Guidelines. However, we identified policy deficiencies related to the process, payment, and denial of individual compensation claims; claim payments for wage loss and dependent death benefits; and the annual state certification form.

Program Requirements and Performance Reporting – We were generally able to reconcile the state's information to the totals the state reported to the OVC for its annual performance report. However, the CVCP lacked performance reporting policies and procedures. We also found that the CVCP ultimately complied with the special conditions we tested, but in order to safeguard taxpayer money, we highlight the need to ensure compliance with grant terms and conditions.

Grant Financial Management – We found the CVCP lacked formal written grant financial management policies and procedures for preparing drawdown funding requests and for preparing federal financial reports.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS
OFFICE FOR VICTIMS OF CRIME VICTIM COMPENSATION
FORMULA GRANTS AWARDED TO THE IDAHO INDUSTRIAL
COMMISSION’S CRIME VICTIMS COMPENSATION PROGRAM
BOISE, IDAHO**

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COMMISSION’S CRIME VICTIMS COMPENSATION PROGRAM
BOISE, IDAHO**

INTRODUCTION

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three victim compensation formula grants awarded by the Office of Justice Programs (OJP), Office for Victims of Crime (OVC) to the Idaho Industrial Commission’s (IIC) Crime Victims Compensation Program (CVCP) in Boise, Idaho. The OVC awards victim compensation grants annually from the Crime Victims Fund (CVF) to state administering agencies. The IIC is the Idaho state administering agency, but the administration of the victim compensation program is the responsibility of the IIC’s CVCP. As shown in Table 1, from fiscal years (FY) 2014 through 2016, these OVC grants, totaled \$2,051,000.¹

**Table 1
Audited Grants
Fiscal Years 2014 – 2016**

Grant Award	Amount
Victim Compensation Grants	
2014-VC-GX-0008	\$837,000
2015-VC-GX-0011	\$586,000
2016-VC-GX-0040	\$628,000 ^a
TOTAL:	\$2,051,000

^a As of March 2018, the CVCP had not drawn down any 2016-VC-GX-0040 grant funds.

Note: Each award may be expended for 3 fiscal years after the fiscal year the grant was made.

Source: OJP

Established by the *Victims of Crime Act (VOCA)* of 1984, the CVF is used to support crime victims through DOJ programs, and state and local victim services.² The CVF is supported entirely by federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments. The OVC annually distributes proceeds from the CVF to states and territories. VOCA victim compensation formula grant funds are available each year to states and territories for distribution to eligible recipients.

The primary purpose of the victim compensation grant program is to compensate victims and survivors of criminal violence for: (1) medical expenses

¹ In this report, the usage of “fiscal year” refers to federal fiscal year, unless otherwise noted.

² The VOCA victim compensation program is funded under 34 U.S.C. 20102.

attributable to a physical injury resulting from a compensable crime, including expenses for mental health counseling and care; (2) loss of wages attributable to a physical injury resulting from a compensable crime; and (3) funeral expenses attributable to a death resulting from a compensable crime.³

The Grantee

As the Idaho state administering agency, the IIC received the VOCA funding, but the IIC's CVCP was responsible for administering the VOCA victim compensation program. The IIC is responsible for regulating workers' compensation activities in Idaho; ensuring that employers have workers' compensation coverage as required by law; settling disputes between injured workers, employers, and insurers; deciding appeals for unemployment decisions from the Idaho Department of Labor; assisting injured workers; and providing compensation to innocent victims of crime through the CVCP. The CVCP was established in 1986 to provide assistance to innocent victims of crime for financial losses associated with a crime when other resources are not available to cover those expenses.

OIG Audit Approach

The objective of the audit was to evaluate how the CVCP designed and implemented its crime victim compensation program. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning and execution, (2) program requirements and performance reporting, and (3) grant financial management.

We tested compliance with what we considered the most important conditions of the grants. Unless otherwise stated in our report, we applied the authorizing VOCA legislation, the VOCA compensation program guidelines (VOCA Guidelines), and the OJP Financial Guide and DOJ Grants Financial Guide as our primary criteria.⁴ We also reviewed relevant the CVCP policies and procedures, including an Idaho statute and codes, and interviewed the CVCP personnel to determine how they administered the VOCA funds. Additionally, we obtained and reviewed the CVCP records reflecting grant activity.⁵

³ This program defines criminal violence to include drunk driving and domestic violence.

⁴ The OJP Financial Guide governs the FY 2014 grant in our scope, while the revised 2015 DOJ Grants Financial Guide applies to the FY 2015 and FY 2016 awards. The revised DOJ Grants Financial Guide reflects updates to comply with the Uniform Guidance, 2 C.F.R. part 200.

⁵ Appendix 1 contains additional information on the audit's objective, scope, and methodology, as well as further detail on the criteria we applied for our audit.

AUDIT RESULTS

Grant Program Planning and Execution

The main purpose of the VOCA victim compensation grants is to enhance state victim compensation payments to eligible crime victims. As part of our audit, we assessed the CVCP's overall process for making victim compensation payments. We also assessed the CVCP's policies and procedures for providing compensation payments to victims, as well as the accuracy of the state certification form.

Overall, we determined that the CVCP's implementation of its victim compensation program, specifically the processing of applications and claims for the intake and adjudication of the compensation application and the formal appeals process, was appropriate and generally in compliance with the VOCA Guidelines. We did, however, identify potential policy deficiencies related to claim payments and the accuracy of the state certification reports.

Program Implementation

State administering agencies receive VOCA victim compensation grants to compensate victims directly for expenses incurred from criminal victimization. As the state administering agency for Idaho, the IIC's CVCP was responsible for the victim compensation program, including meeting all financial and programmatic requirements. When paying claims for victims, the CVCP operated under the Idaho statute, the Idaho Administration Code, and the Crime Victims Compensation Program Procedure Manual, which conveyed the state-specific policies for the victim compensation program.⁶ In assessing the CVCP's implementation of its victim compensation program, we analyzed policies and procedures governing the decision-making process for individual compensation claims, as well as what efforts the CVCP had made to bring awareness to victims eligible for compensation program benefits.

We found the CVCP performed outreach to victims eligible for compensation program to make them aware of the program's benefits. There are 44 counties within the state of Idaho and according to a CVCP official, the CVCP staff try to visit or contact the victim advocates, tribe contacts, and victim coordinators from each county every year to determine or identify any needs and training. We also found the CVCP website describes the benefits available to victims or claimants, details the compensation program and process, and several different forms can be obtained including the crime victim compensation application form in either English or Spanish.

Based on our review, we determined that the CVCP is solely responsible for processing applications and claims, but the actual claim payments are processed separately by the IIC Fiscal Department. We found the CVCP's written policies and

⁶ Specifically, Title 72, Chapter 10, *Crime Victims Compensation*, of the Idaho state statute and the Idaho Administration Code 17, Title 5, Chapter 1, *Rules Under the Crime Victims Compensation Act* are the state-specific policies.

procedures on processing applications and claims for the intake and adjudication of the compensation application with a formal appeals process for denied claims appeared to be consistent with VOCA Guidelines. However, we identified potential concerns related to: (1) the process, payment, and denial of individual compensation claims and (2) claim payments for wage loss and dependent death benefits.

The current procedure that outlines the process, payment, and denial of individual compensation claims is an internal and informal procedure and does not include adequate information. For instance, a CVCP official explained that the current informal procedure references the previous data system used by the CVCP and not the current system. In addition, the informal procedure does not maintain information regarding segregation of duties. As a result, because staffing or other changes could take place the currently undocumented practices for claim payment and denial may not be performed consistently. Therefore, we recommend OJP ensure the CVCP develop and adhere to formal written policies and procedures for the process, payment, and denial of individual compensation claims.

Our review of the claims process also included an examination of claims for wage loss, prescription, dependent death benefits, sexual assault exam, medical, counseling, dental, and funeral claim categories. Idaho statute limits total compensation payments to \$25,000. In addition, funeral, burial or cremation, and transportation expenses are limited to \$5,000. Furthermore, mental health treatment may not exceed \$500 for each person or \$1,500 for a family. We discuss our concerns regarding wage loss payment and payment of dependent death benefit claims below.

Wage Loss Benefits

According to VOCA Guidelines, states can compensate victims of crime for lost wages. In addition to these guidelines, Idaho statute allows lost wage payments to claimants as a result of criminally injurious conduct.⁷

Within the CVCP written policies, it provides guidance for the CVCP staff in administering and managing claims, including wage loss benefits. The Idaho state statute explains if a victim was employed at the time of the crime and is disabled as a result of the crime, wage loss benefits may be available. In addition, according to the Idaho state statute, the victim must be disabled for one week before they are eligible to receive wage loss benefits. The benefit amount is based on the victim's income on the date of the crime, a CVCP weekly maximum, and available collateral

⁷ According to the Idaho statute, a claimant is any of the following claiming compensation: a victim; a dependent of a deceased victim; or an authorized person acting on behalf of any of them, including parent(s), legal guardian(s), and sibling(s), of a victim who is a minor. Idaho statute defines criminally injurious conduct as intentional, knowing, or reckless conduct that among other things results in injury or death and is punishable by fine, imprisonment, or death, or would be so punishable but for the fact that the person engaging in the conduct lacked capacity to commit the crime under the laws of [Idaho].

sources.⁸ To determine if the victim was employed at the time of the crime and the amount of weekly wages, the CVCP policy requires the following documents to be completed, when applicable:

1. Disability Verification Letter completed by the treatment provider;
2. Employment Verification Form filled out by the victim's employer; and
3. If self-employed, the victim's most recent tax return.

The Employment Verification Form requires information to be provided related to employment history, average work week, rate of pay and other compensation, frequency of pay, dates of missed work, and insurance plans the victim may have been enrolled. Based on this information, a CVCP case manager calculates the amount of lost wages to be awarded. However, the CVCP policy does not require an employer to submit additional supporting documentation to verify income (e.g., prior pay stubs or W-2 forms from the employer).

During our audit, we reviewed lost wage claims totaling \$4,737 and found the claims did not include the methodology used or documentation that fully supported payments made to claimants. In particular, we found that the basis for the amount of lost wages did not include past income tax returns, pay stubs, W-2 forms, or other documentation demonstrating the lost wage. We also found an instance where one of the two required treatment providers did not complete a Disability Verification Letter. In addition, the methodology used to calculate the loss wage claims were not always detailed in the claimant file and did not specifically address instances where the claimant worked part-time, was entitled to mileage per diem, or was paid predominately on a commission-based pay scale resulting in varying compensation amounts each pay period. We also determined that the CVCP did not have a documented rationale for how it calculated the amount of collateral income sources including social security benefits.

Given the current practice, we believe federal funds may be at risk for fraud, as there was inadequate supporting documentation to verify the payments made in such instances. Therefore, we recommend OJP ensure the CVCP strengthen its current policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation and the decision making process, and that documentation supporting the payments made is verified.

Dependent Death Benefits

According to VOCA Guidelines, states can compensate the children of victims from homicide for loss of support. In addition, the VOCA Guidelines permit states

⁸ According to Idaho statute, the weekly benefit amount is 66 ⅔ percent of the wages received at the time of the criminally injurious conduct, subject to a maximum \$175. Idaho statute defines collateral source as a source of benefits, other than welfare benefits, or advantages for economic loss otherwise compensable. In addition, according to Idaho statute, compensation otherwise payable to a claimant shall be reduced or denied to the extent the compensation benefits payable are or can be recouped from collateral sources.

to compensate survivors of homicide victims for loss of support, funeral expenses, and financial counseling services.

Idaho statute expands on the VOCA Guidelines and states dependents of a victim who is killed as a result of criminally injurious conduct are entitled to receive the following (if all other collateral sources have been exhausted): aggregate weekly benefits; reasonable funeral and burial or cremation expenses of the victim; transportation expenses of the victim's body; and reimbursement for mental health treatment.

According to the CVCP policy, dependent death benefits are paid to the surviving spouse and dependents until the spouse dies or remarries or the youngest child reaches 18, unless there is a child that is dependent for life or until the case maximum is reached. In addition, requests will be made yearly for updated social security benefits information and marital status information. With the exception of the Disability Verification Letter, the CVCP policy also states that the dependent death benefit amount is calculated the same as wage loss benefits.

Therefore, as with lost wages, when determining whether a claimant meets criteria to receive dependent death benefits, specifically weekly benefits, a completed Employment Verification Form and a copy of [the victim's] most recent Social Security Benefit letter must be provided. The CVCP policy does not require supporting documentation to be provided relating to verification of income (e.g., prior pay stubs or W-2 forms from the employer), proof of guardianship or dependency, or the application or entitlement to social security or other benefits for dependents.

During our audit, we reviewed approximately \$6,000 in dependent death wage loss benefits paid by the CVCP. We found even though the CVCP policies do not require documents related to dependency determination and collateral sources, one of the two CVCP staff requested and received applicable documentation for the claims reviewed. Because of the inconsistency, specifically the lack of documentation supporting income and the dependency of others at the time of the victim's death, we could not readily ensure that the basis and amount of payments made were reasonable and appropriate. Moreover, as with lost wages, the rationale and methodology used to calculate the dependent death benefits were not documented and the calculations did not factor in if the victim worked part-time, had seasonal, or fluctuating tip income, or was paid predominately on a commission-based pay scale resulting in varying commission amounts. We believe all factors should be taken into consideration when calculating dependent death benefits.

Given the current practice, we believe federal funds may be at risk for fraud, as there was inadequate supporting documentation to verify the amount of the payments made and the eligible status of the individual receiving the benefits in such instances. Because of this, we recommend OJP ensure the CVCP strengthen its policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants be fully documented to establish the basis for payment.

Annual State Certification

State administering agencies must submit an annual Crime Victim Compensation State Certification Form, which provides the OVC the necessary information to determine the grant award amount. The certification form must include all sources of revenue to the crime victim compensation program during the federal fiscal year, as well as the total of all compensation claims paid out to, or on behalf of, victims from all funding sources. The OVC allocates VOCA victim compensation formula grant funds to each state by calculating 60 percent of the eligible compensation claims paid out to victims during the fiscal year 2 years prior. The accuracy of the information provided in the certification form is critical to the OJP's correct calculation of the victim compensation award amounts granted to each state.

We assessed the CVCP's controls for preparing the annual certification forms submitted to the OVC for FYs 2012 through 2016, which were used to calculate the award amounts granted in FYs 2014 through 2018.⁹

We reviewed the annual certification forms, including the financial support for the payouts and revenues. We verified total payouts made with state funds and total payments made with VOCA funds. In addition, we compared the CVCP's accounting records with the revenues that were included in the eligible payment amounts on the annual certification forms, including subrogation, restitution, refunds, and recovery.

We determined the CVCP's process for completing the annual certification forms did not include controls that would ensure it correctly calculated the amounts reported on its annual certification forms. We found errors in the CVCP's annual certification forms submitted from FY 2012 through FY 2014, which resulted in the CVCP being awarded a lesser amount of funding for FYs 2014 and 2015 than it would have otherwise received. Table 2 summarizes the errors found within the annual certification forms after reviewing the accounting records support and details the recalculation of the awards.

⁹ The OJP's Office of the Chief Financial Officer, Budget Execution Division calculates the allocations for VOCA eligible crime victim compensation programs and OVC makes the grant awards.

Table 2
Summary of Errors to the Annual Certifications
and Recalculation of Formula Awards

Payment Information	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Amount Reported as Eligible	\$1,395,378	\$976,821	\$1,046,555	\$1,110,646	\$1,415,414
<i>OIG Calculated Adjustments</i>					
Over-reported Refunds	\$783	\$38,356			
Under-reported VOCA funds		(\$1,671)			
Over-reported VOCA funds			\$45		
Over-reported Restitution		\$845			
Under-reported Restitution			(\$714)		
Over-reported Recovery			\$40		
<i>Total OIG Calc. Adjustments</i>	<i>\$783</i>	<i>\$37,530</i>	<i>\$754^a</i>	<i>\$0</i>	<i>\$0</i>
Revised Eligible Amount	\$1,396,161	\$1,014,351	\$1,045,801	\$1,110,646	\$1,415,414
Award Fiscal Year	FY 2014 Award	FY 2015 Award	FY 2016 Award	FY 2017 Award	FY 2018 Projected Award
Actual Award	\$837,000	\$586,000	\$628,000	\$666,000	- ^b
Formula after adjustment	\$837,697	\$608,611	\$627,481	\$666,388	\$849,248
Adjustment to nearest thousand	\$838,000	\$609,000	\$627,000	\$666,000	\$849,000
Excess or (Shortage) Amount Awarded	(\$1,000)	(\$23,000)	\$1,000	\$0	-

^a Difference due to the eligible amount formula.

^b As of March 2018, FY 2018 grant has not been awarded yet.

Source: OJP and the CVCP

We found the CVCP would have received \$24,000 more in compensation funding for FY 2014 and FY 2015 if the erroneous information was accurately represented in the annual certification forms from FY 2012 and FY 2013.¹⁰ The table above also illustrates that as a result of the errors in the FY 2014 annual certification form the CVCP was awarded \$1,000 more funding in FY 2016 than should have been provided.

We do not question the \$1,000 of FY 2016 additional funding due to the minimal amount and because the net result of our testing was an underpayment of \$23,000, as shown in Table 2. However, if the annual certification forms are not completed correctly, the amount of funds awarded to compensation programs 2 fiscal years later would not be accurate. In addition, the program may miss the benefit of additional funding for victims. The CVCP officials explained the errors occurred because there are no formal annual state certification form procedures.

¹⁰ According OJP officials, the award calculation amounts from the annual certification forms are rounded to the nearest thousand.

We recommend OJP ensure the CVCP develops and implements formal procedures to ensure the annual Crime Victim Compensation State Certification Form is completed accurately.

Program Requirements and Performance Reporting

To determine whether the CVCP distributed VOCA victim compensation program funds to compensate victims of crime, we reviewed the CVCP performance measures and performance documents that the CVCP used to track goals and objectives. We further examined OVC solicitations and award documents and verified the CVCP compliance with special conditions governing recipient award activity.

Based on our overall assessment in the areas of program requirements and performance reporting, we believe that the CVCP: (1) did not implement adequate procedures to compile annual performance reports; and (2) was ultimately brought into compliance with tested special conditions, but we highlighted the need to ensure compliance with critical grant terms and conditions to prevent wasteful spending. These issues are discussed in the following sections.

Annual Performance Reports

Each state administering agency must annually report to the OVC on activity funded by any VOCA awards active during the federal fiscal year. The reports are submitted through OJP’s Grant Management System (GMS). As of FY 2015, the OVC also began requiring states to submit quarterly performance data through the web-based Performance Measurement Tool (PMT). After the end of the fiscal year, the state administering agency is required to produce the Annual State Performance Report and upload it to GMS.

For the victim compensation grants, the states must report the number of victims for whom an application was made; the number of victims whose victimization is the basis for the application; victim demographics; the number of applications that were received, approved, denied, and closed; and total compensation paid by service type. Table 3 shows a summary of the CVCP’s annual reports.

Table 3
Summary from the CVCP
Victim Compensation Program Annual Performance Report

Performance Categories	FY 2014	FY 2015	FY 2016	FY 2017
Total Amount of Compensation Paid	\$2,398,858	\$1,984,470	\$2,304,726	\$2,400,405
Number of New Applications Received	2234	2204	2116	2263

Source: The CVCP Annual Performance Reports

We assessed whether the CVCP’s annual performance report to the OVC fairly reflected the performance figures of the victim compensation program. We

selected nine categories from the FY 2016 performance report to test. To perform this testing, we requested supporting information from the CVCP to reconcile with the performance data reported. We were generally able to reconcile the state's information to the totals the state reported to the OVC for its annual performance report.

While reviewing the data submitted within the performance reports, we found the total compensation payments reported within the FY 2015 and FY 2016 performance reports did not equal the total compensation payments within the corresponding annual certification form. Below is a comparison of the reported total compensation amounts paid within the performance reports and the certification forms.

Table 4
Total Compensation Paid and Reported Comparison

Annual Report	FY 2014	FY 2015	FY 2016	FY 2017
	Total Victim Compensation Reported	Total Victim Compensation Reported	Total Victim Compensation Reported	Total Victim Compensation Reported
Performance Report	\$2,398,858	\$1,984,470	\$2,304,726	\$2,400,405
State Certification Form	\$2,398,858	\$2,029,327	\$2,329,020	- ^a
Difference	\$0	\$44,857	\$24,294	-

^a As of March 2018, the FY 2017 certification form has not been received by OVC.

Source: OVC and OIG

A CVCP official explained that payments for some crime types were not combined correctly and others were not added to the total amount reported within the performance reports.¹¹ As a result, the quarterly and total payment amounts within the FYs, 2015, 2016, and FY 2017 Performance Reports were incorrect.¹² We believe this occurred because the CVCP did not have formal written policies and procedures for compiling, completing, and submitting accurate performance report information. According to the CVCP, it employed the OVC instructions on how to submit progress reports as its performance reporting procedures. The OVC instructions detail what to compile and how to submit the performance reports, but they do not include specific information on where the CVCP staff would pull this information from its system or how to compile the information nor does it detail segregation of duties. It is important for the CVCP to prepare and submit accurate performance reports to ensure OJP and the OVC have valid and reliable

¹¹ During each performance report quarter, the CVCP tracks each type of crime and the payments made for those crimes. However, some of those amounts should be combined to capture all of the payments for that crime type when submitting the performance report, but the CVCP did not do that for FY 2015 through FY 2017. For example, for the first quarter of FY 2016, the CVCP reported \$5,458 in sexual assault exam payments, but did not include \$13,469 of the same crime type because the payments were not appropriately combined. In addition, for the same quarter, the CVCP did not include \$401.59 of other medical and counseling payments into the aggregate amount.

¹² According to CVCP officials, the FY 2017 performance reports quarterly and total payment amounts will differ from the certification form, which has not yet been received.

performance information. Therefore, we recommend OJP ensure the CVCP develop and adhere to written policies and procedures for compiling, completing, and submitting accurate performance reports.

Compliance with Special Conditions

The special conditions of a federal grant award establish specific requirements for grant recipients. In its grant application documents, the CVCP certified it would comply with these special conditions. We reviewed the special conditions for each VOCA victim compensation program grants and identified three special conditions that we deemed significant to grant performance which are not otherwise addressed in another section of this report. We tested to ensure: (1) performance reports were submitted timely; (2) a program official attended the annual VOCA National Training; and (3) the CVCP did not obligate, expend, or draw down funds until: (a) the recipient obtains active registration with the General Services Administration's System for Award Management (SAM) database, (b) the recipient notifies the program office in writing of its registration, and (c) a Grant Adjustment Notice (GAN) is issued removing the special conditions.

We found the CVCP submitted the performance reports timely and at least one CVCP employee attended the VOCA National Training from 2014 through 2017. We also found the CVCP submitted a GAN requesting removal of the special condition related to the SAM database in February 2017, but the CVCP expended \$356,776 of 2014-VC-GX-0008 grant funds prior to the removal of the special condition. According to the CVCP, the lack of fiscal policies and procedures contributed to this violation of the grant special condition. As a result, the \$356,776 of grant funds were unallowable. However, during the course of this audit, OVC granted the CVCP retroactive approval for the costs expended prior to the removal of the special condition. We reviewed this documentation and as a result we did not question the \$356,776. However, we would like to note our concern that OVC's use of retroactive approvals may encourage grantees to disregard important special conditions and grant requirements aimed at safeguarding taxpayer money. Fortunately, the pre-spending did not negatively impact the grant, and the money was used for crime victim compensation purposes. We believe that enforcement of grant terms and conditions is critical for ensuring future grantee compliance and prevention of wasteful spending.

Grant Financial Management

Award recipients must establish and maintain an adequate accounting system and financial records that accurately account for awarded funds. To assess the adequacy of the CVCP's financial management of the VOCA victim compensation grants, we reviewed the process for the CVCP to administer these funds by examining expenditures charged to the grants, subsequent drawdown requests, and resulting financial reports. To further evaluate the CVCP's financial management of the VOCA victim compensation grants, we also reviewed the Single Audit Report(s) for FYs 2014 to 2016 and identified no findings of noncompliance or control weaknesses specifically related to the IIC or the CVCP. We also interviewed the CVCP personnel who were responsible for financial aspects of the grants,

reviewed the CVCP written policies and procedures, inspected award documents, and reviewed financial records.

In our overall assessment of grant financial management, we determined that the CVCP implemented adequate controls over most forms of claim payments but, as discussed above, could improve its policies for lost wages, dependent death benefits, and would benefit from formalized fiscal policies and procedures. We believe the incorporating formalized fiscal policies and procedures to improve grant administration will reduce the risk of errors.

Grant Expenditures

For VOCA victim compensation programs, state administering agency compensation expenses fall into two overarching categories: (1) compensation claim payments – which constitute the vast majority of total expenses, and (2) administrative expenses – which are allowed to total up to 5 percent of each award. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of transactions from each of these categories by reviewing accounting records and verifying support for select transactions.

Victim Compensation Claim Expenditures

As previously discussed, victims of crime in the state of Idaho submit claims for reimbursement of expenses incurred as a result of victimization, such as medical, mental health, or loss of wages. The CVCP staff adjudicate these claims for eligibility and make payments from the VOCA victim compensation grants and state funding.

To evaluate the CVCP's financial controls over VOCA victim compensation grant expenditures, we reviewed victim compensation claims to determine whether the payments were accurate, allowable, supported, timely, and in accordance with the policies of the VOCA Guidelines and the Idaho statute. We judgmentally selected 35 claims from the 2014-VC-GX-0008 grant, totaling \$165,094 or 20 percent of the total amount of 2014-VC-GX-0008 grant expenses.¹³ We sampled claims the following categories: wage loss, prescription, dependent death, sexual assault exam, medical, counseling, dental, and funeral.

As discussed earlier, we found the CVCP policy and supporting documentation demonstrating appropriate payment amounts for lost wages and dependent death benefits were not sufficient. We do not question the costs associated with the lost wages and dependent death benefits expenditures, as the CVCP obtained support based on existing policy. Instead, as noted above, we recommend that policies and procedures are strengthened to ensure appropriate documentation is obtained and the methodologies for determinations are detailed to support lost wages and dependent death benefits. While we identified areas to enhance, we believe the

¹³ During our audit fieldwork, there were no expenses charged to the 2015-VC-GX-0011 or the 2016-VC-GX-0040 grants. Therefore, we were unable to test any claims from these two grants.

CVCP successfully collected supporting documentation for the prescription, medical, mental health, and funeral-related expenditures we tested.

To ensure that the CVCP properly adjudicated unallowable claim applications, we also examined a judgmental sample of denied claims reviewed by the CVCP’s case managers. We reviewed 15 denied claim requests and verified that the files included appropriate documentation and were adjudicated properly.

Administrative Expenditures

The state administering agency may retain up to 5 percent of each grant to pay for administering its crime victim compensation program. According to the CVCP officials, since its inception in 1986, the CVCP has never utilized the 5 percent of grant funds for administrative expenses because the funds were to be used for the victims. Our review of the CVCP accounting records confirms that the CVCP did not charge administrative expenses.

Drawdowns

Award recipients should request funds based upon immediate disbursement or reimbursement needs, and the grantee should time drawdown requests to ensure that the federal cash on hand is the minimum needed for disbursements or reimbursements made immediately or within 10 days. VOCA victim compensation grant funds are available for the fiscal year of the award plus 3 additional fiscal years. To assess whether the CVCP managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in the CVCP’s accounting system and accompanying financial records.

Table 5 shows the total amount drawn down for each grant as of February 2018.

Table 5
Amount Drawn Down for Each Grant as of February 2018

Award Number	Total Award	Amount Drawn Down	Amount Remaining
2014-VC-GX-0008	\$837,000	\$837,000	\$0
2015-VC-GX-0011	\$586,000	\$147,000	\$439,000
2016-VC-GX-0040	\$628,000	\$0	\$628,000
Total:	\$2,051,000	\$984,000	\$1,067,000

Source: OJP

For the VOCA victim compensation awards, we identified significant deficiencies related to the recipient’s process for developing drawdown requests. We found that all of the drawdowns made by the CVCP for the 2014-VC-GX-0008 grant were made on an advancement basis and the CVCP held excess cash on hand past the allowable 10 days.

We determined the CVCP requested federal funding for the 2014-VC-GX-0008 grant based on 60 percent of state funding already spent, which

is not in compliance with the DOJ Grants Financial Guide. For example, the first drawdown for the 2014-VC-GX-0008 grant was \$375,400, requested on January 10, 2017, and was 60 percent of the state funds already spent during the 6 months prior. The CVCP's 2014-VC-GX-0008 grant spending did not begin until January 17, 2017 and only \$28,386 of the \$375,400, or 8 percent of the funding drawn down was spent during the allowable timeframe.¹⁴

We presented this issue to the CVCP officials during the course of the audit and the CVCP officials stated the process will be updated going forward. As of February 2018, we found the three drawdowns from 2015-VC-GX-0011 grant funds were drawn down in advance, but the funds were spent within the allowable timeframe.

Nevertheless, the CVCP lacks formal written grant administration policies and procedures for preparing drawdown funding requests for federal awards. Because staffing or other changes could take place and the current undocumented practices for drawing funds may not be performed consistently, future drawdowns could be compromised. Therefore, we recommend OJP ensure the CVCP establishes and adheres to policies and procedures for identifying drawdown amounts and minimizing the time between drawdown and disbursement in accordance with the DOJ Grants Financial Guide to reduce excess cash on hand.

Financial Reporting

According to the OJP Financial Guide and DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. To determine whether the CVCP submitted accurate Federal Financial Reports (FFR), we compared the four most recent reports to the CVCP's accounting records for each grant.

We determined that quarterly and cumulative expenditures for the 2014-VC-GX-0008 grant reports reviewed matched the accounting records. The four most recent FFRs for the 2015-VC-GX-0011 and 2016-VC-GX-0040 grants reported \$0 for expenditures and we verified that no expenditures were made during those FFR periods. However, when reviewing the 2014-VC-GX-0008 FFRs, we found that the CVCP incorrectly reported state funding as a match amount on the FFRs. The CVCP was not aware of what should be reported and lacked formal written grant administration policies and procedures for preparing FFRs for federal awards. It is important for the CVCP to prepare its financial reports accurately to ensure OJP have valid and reliable financial information.

We recommend OJP ensure the CVCP develops and adheres to formal written policies and procedures for financial reporting.

¹⁴ We used the drawdown request date for the 2014-VC-GX-0008 grant drawdown analysis.

CONCLUSION AND RECOMMENDATIONS

We found the CVCP used its grant funds to compensate crime victims. We did not identify significant issues regarding CVCP's claims process, including denials and appeals, but noted a lack of sufficient policies and procedures related to the payment and denial of individual compensation claims and documentation supporting wage loss and dependent death benefits claim payments. We also found the CVCP did not have specific policies and procedures, which resulted in inaccurate annual state certification forms, performance reports, and FFRs, as well as funds that were drawn down in advance. We provide seven recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure the CVCP develop and adhere to written policies and procedures for the process, payment, and denial of individual compensation claims.
2. Ensure the CVCP strengthen its current policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation and the decision making process, and that documentation supporting the payments made is verified.
3. Ensure the CVCP strengthen its policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants be fully documented to establish the basis for payment.
4. Ensure the CVCP develops and implements formal procedures to ensure the annual Crime Victim Compensation State Certification Form is completed accurately.
5. Ensure the CVCP develop and adhere to written policies and procedures for compiling, completing, and submitting accurate performance reports.
6. Ensure the CVCP establishes and adheres to policies and procedures for identifying drawdown amounts and minimizing the time between drawdown and disbursement in accordance with the DOJ Grants Financial Guide to reduce excess cash on hand.
7. Ensure the CVCP develops and adheres to formal written policies and procedures for financial reporting.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

The objective of the audit was to evaluate how the CVCP designed and implemented its crime victim compensation program. To accomplish this objective, we assessed performance in the following areas of grant management: (1) grant program planning and execution, (2) program requirements and performance reporting, and (3) grant financial management.

Scope and Methodology

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

This was an audit of *Victims of Crime Act (VOCA)* victim compensation formula grants 2014-VC-GX-0008, 2015-VC-GX-0011, and 2016-VC-GX-0040 from the Crime Victims Fund (CVF) awarded to the CVCP. The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) awarded these grants totaling \$2,051,000 to the IIC, which serves as the state administering agency, but the administration of the VOCA victim compensation program is the responsibility of the IIC's CVCP. Our audit concentrated on, but was not limited to, the period of October 1, 2013, the project start date for VOCA compensation grant number 2014-VC-GX-0008, through March 2018. As of February 2018, the CVCP had drawn down a total of \$984,000 from the three audited grants.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of the CVCP's activities related to the audited grants. We performed sample-based audit testing for performance reports, grant expenditures, financial reports, etc. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The authorizing VOCA legislation, the VOCA compensation program guidelines, the OJP Financial Guide and DOJ Grants Financial Guide, state compensation criteria, and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from OJP's Grants Management System as well as the CVCP accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole; therefore, any findings identified involving information from those systems was verified with documents from other sources.

While our audit did not assess the CVCP's overall system of internal controls, we did review the internal controls of the CVCP's financial management system specific to the management of funds for each VOCA grant within our review. To determine whether the CVCP adequately managed the VOCA funds we audited, we conducted interviews with state of Idaho financial staff, examined policies and procedures, and reviewed grant documentation and financial records. We also developed an understanding of the CVCP's financial management system and its policies and procedures to assess its risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grants.

**IDAHO INDUSTRIAL COMMISSION'S CRIME VICTIM
COMPENSATION PROGRAM
RESPONSE TO THE DRAFT AUDIT REPORT¹⁵**



C.L. "BUTCH" OTTER, GOVERNOR

IDAHO INDUSTRIAL COMMISSION

PO Box 83720
Boise, ID 83720-0041
(208) 334-6000 - FAX (208) 334-2321
1-800-950-2110

COMMISSIONERS
Thomas E. Limbaugh, Chairman
Thomas P. Baskin
Aaron White

Mindy Montgomery, Director

May 21, 2018

David M. Sheeren
Regional Audit Manager
Denver Regional Audit Office
Office of the Inspector General
U. S. Department of Justice
1120 Lincoln Street, Suite 1500
Denver, CO 80203

Dear Mr. Sheeren:

The Idaho Industrial Commission (IIC) is in receipt of the Draft Audit Report dated May 2, 2018 regarding the Crime Victims Compensation Program (CVCP). The draft report included seven recommendations to assist CVCP in improving its grant management and administration. This letter is the response to the draft report and recommendations as requested by the Office of the Inspector General (OIG).

1. Ensure the CVCP develop and adhere to written policies and procedures for the process, payment and denial of individual compensation claims.

Response: **CVCP concurs with the recommendation.** We are working to formalize our written policies and procedures for the process, payment and denial of individual compensation claims. An expected completion date is November 1, 2018.

2. Ensure the CVCP strengthen its current policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation and the decision making process, and that documentation supporting the payments made is verified.

Response: **CVCP concurs with the recommendation.** We will work to strengthen policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation, and that documentation supporting payments made is verified. We currently have access to the Idaho Department of Labor's employment information and will incorporate that form of verification in our procedures, and include other supporting documentation such as pay stubs. We will also develop a worksheet to document how wage loss benefits are calculated. An expected completion date for updated policies and procedures is October 1, 2018.

700 So. Clearwater Ln., Boise, ID
Equal Opportunity Employer

¹⁵ The attachments to IIC's response are not included in this final report.

David M. Sheeren
May 21, 2018
Page 2

- 3. Ensure the CVCP strengthen its policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants be fully documented to establish the basis for payment.**

Response: **CVCP concurs with the recommendation.** We will work to strengthen policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants are fully documented to establish the basis for payment. This will include utilizing our access to the Idaho Department of Labor's data. We will also develop policies to include proof of guardianship. A worksheet to document how dependent death benefits are calculated will be included in the case file. An expected completion date is October 1, 2018.

- 4. Ensure the CVCP develops and implements formal procedures to ensure the annual Crime Victim Compensation State Certification Form is completed accurately.**

Response: **CVCP concurs with the recommendation and believe we have completed the actions to address the recommendation.** Procedures were developed in January 2018 and were used when completing the 2018 Crime Victims Compensation State Certification Form. *See Attachment 1*

- 5. Ensure the CVCP develop and adhere to written policies and procedures for compiling, completing, and submitting accurate performance reports.**

Response: **CVCP concurs with the recommendation and believe we have completed the actions to address the recommendation.** Written policies and procedures have been developed for compiling, completing, and submitting accurate performance reports. *See Attachment 2*

- 6. Ensure the CVCP establishes and adheres to policies and procedures for identifying drawdown amounts and minimizing the time between drawdown and disbursement in accordance with the DOJ Grants Financial Guide to reduce excess cash on hand.**

Response: **CVCP concurs with the recommendation and believe we have completed the actions to address the recommendation.** Written policies and procedures were developed in January 2018 and have been followed since that time. *See Attachment 3*

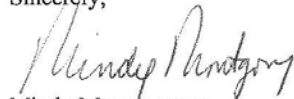
David M. Sheeren
May 21, 2018
Page 3

7. Ensure the CVCP develops and adheres to formal written policies and procedures for financial reporting.

Response: **CVCP concurs with the recommendation and believe we have completed the actions to address the recommendation.** Written policies and procedures were developed in May 2018.
See Attachment 4

We appreciate the opportunity to review and comment on the draft audit report. [REDACTED] Program Analyst, was a pleasure to work with and we appreciated her feedback and professionalism. If you have any questions or require additional information, feel free to contact me or [REDACTED] CVCP Bureau Chief, at (208) 334-6000.

Sincerely,



Mindy Montgomery
Director

Encl:
Attachment 1-VOCA Certification Form Procedures
Attachment 2-VOCA Performance Report Procedures
Attachment 3-VOCA Grant Draw Down Procedures
Attachment 4-VOCA Quarterly Federal Financial Status Report Procedures

cc: Linda Taylor, U.S. Department of Justice, Office of Audit, Assessment and Management

THE OFFICE OF JUSTICE PROGRAMS
RESPONSE TO THE DRAFT AUDIT REPORT¹⁶



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

MAY 31 2018

MEMORANDUM TO: David M. Sheeren
Regional Audit Manager
Denver Regional Audit Office
Office of the Inspector General

FROM: Ralph E. Martin
Director 

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Compensation Formula Grants Awarded to the Idaho Industrial Commission's Crime Victim Compensation Program, Boise, Idaho*

This memorandum is in reference to your correspondence, dated May 2, 2018, transmitting the above-referenced draft audit report for the Idaho Industrial Commission's (IIC) Crime Victim Compensation Program (CVCP). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **seven** recommendations and **no** questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by OJP's response.

1. **We recommend that OJP ensure the CVCP develop and adhere to written policies and procedures for the process, payment, and denial of individual compensation claims.**

OJP agrees with this recommendation. We will coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure appropriate processing, payment, and denial of individual compensation claims.

¹⁶ The attachments to OJP's response are not included in this final report.

2. **We recommend that OJP ensure the CVCP strengthen its current policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation and the decision making process, and that documentation supporting the payments made is verified.**

OJP agrees with this recommendation. We will coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure that the lost wage documentation, and the methodology used to make the calculation and support the decision making process, is verified and fully supports the amount to be paid.

3. **We recommend that OJP ensure the CVCP strengthen its policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants be fully documented to establish the basis for payment.**

OJP agrees with this recommendation. We will coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure that dependent death benefits and the eligibility status of dependents as claimants are documented to establish the basis for payment.

4. **We recommend that OJP ensure the CVCP develops and implements formal procedures to ensure the annual Crime Victim Compensation State Certification Form is completed accurately.**

OJP agrees with this recommendation. CVCP provided a copy of written policies and procedures, developed and implemented, to ensure that the annual Crime Victim Compensation State Certification Form is accurate (see Attachment 1). Accordingly, the Office of Justice Programs respectfully requests closure of this recommendation.

5. **We recommend that OJP ensure the CVCP develop and adhere to written policies and procedures for compiling, completing, and submitting accurate performance reports.**

OJP agrees with this recommendation. CVCP provided a copy of written policies and procedures, developed and implemented, to ensure that its performance reports are accurate (see Attachment 2). Accordingly, the Office of Justice Programs respectfully requests closure of this recommendation.

6. **We recommend that OJP ensure the CVCP establishes and adheres to policies and procedures for identifying drawdown amounts and minimizing the time between drawdown and disbursement in accordance with the DOJ Grants Financial Guide to reduce excess cash on hand.**

OJP agrees with this recommendation. CVCP provided a copy of written policies and procedures, developed and implemented, to ensure that Federal cash-on-hand is the minimum amount needed for disbursements to be made immediately or within nine days of receipt (see Attachment 3). Accordingly, the Office of Justice Programs respectfully requests closure of this recommendation.

7. **We recommend that OJP ensure the CVCP develops and adheres to formal written policies and procedures for financial reporting.**

OJP agrees with this recommendation. CVCP provided a copy of written policies and procedures, developed and implemented, to ensure that it adheres to the DOJ Grants Financial Guide regarding financial reporting (see Attachment 4).

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

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

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

Jeffery A. Haley
Deputy Director, Audit and Review Division
Office of Audit, Assessment and Management

Darlene L. Hutchinson
Director
Office for Victims of Crime

Marilyn Roberts
Deputy Director
Office for Victims of Crime

Allison Turkel
Deputy Director
Office for Victims of Crime

cc: Susan Williams
Acting Deputy Director
Office for Victims of Crime

James Simonson
Associate Director for Operations
Office for Victims of Crime

Toni L. Thomas
Associate Director, State Compensation
and Assistance Division
Office for Victims of Crime

DeLano Foster
Team Lead, State Compensation
and Assistance Division
Office for Victims of Crime

Jalila Sebbata
Grants Management Specialist
Office for Victims of Crime

Leigh A. Benda
Chief Financial Officer

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

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

Jerry Conty
Assistant Chief Financial Officer
Grants Financial Management Division
Office of the Chief Financial Officer

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

cc: Richard P. Theis
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

OJP Executive Secretariat
Control Number IT20180503103658

**OFFICE OF THE INSPECTOR GENERAL
ANALYSIS AND SUMMARY OF ACTIONS
NECESSARY TO CLOSE THE REPORT**

The Department of Justice (Department) Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP) and the Idaho Industrial Commission's Crime Victim Compensation Program (CVCP). The CVCP's response is incorporated in Appendix 2 and OJP's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, OJP concurred with our recommendations, and as a result, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations for OJP:

- 1. Ensure the CVCP develop and adhere to written policies and procedures for the process, payment, and denial of individual compensation claims.**

Resolved. OJP concurred with our recommendation. OJP stated in its response that it will coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure appropriate processing, payment, and denial of individual compensation claims.

The CVCP concurred with our recommendation and stated in its response it is working on formalizing written policies and procedures for the process, payment and denial of individual compensation claims. The CVCP stated the expected completion date is November 1, 2018

This recommendation can be closed when we receive the policies and procedures for the process, payment, and denial of individual compensation claims.

- 2. Ensure the CVCP strengthen its current policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation and the decision making process, and that documentation supporting the payments made is verified.**

Resolved. OJP concurred with our recommendation. OJP stated in its response it coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure that the lost wage documentation, and the methodology used to make the calculation and support the decision making process, is verified and fully supports the amount to be paid.

The CVCP concurred with our recommendation and stated in its response it will work to strengthen policies and procedures to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation, and that documentation supporting payments made is verified. In addition, the CVCP now has access to the Idaho Department of Labor's employment information to incorporate that form of verification in its procedures, and include other supporting documentation such as pay stubs. The CVCP also stated it will develop a worksheet to document how wage loss benefits are calculated. The CVCP stated the expected completion date is October 1, 2018.

This recommendation can be closed when we receive documentation that demonstrates procedures have been strengthened to ensure that lost wage documentation fully supports the amount to be paid, the claim file explains the methodology used to make the calculation, and that documentation supporting the payments made is verified.

3. **Ensure the CVCP strengthen its policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants be fully documented to establish the basis for payment.**

Resolved. OJP concurred with our recommendation. OJP stated in its response it will coordinate with the CVCP to obtain a copy of written policies and procedures, developed and implemented, to ensure that dependent death benefits and the eligibility status of dependents as claimants are documented to establish the basis for payment.

The CVCP concurred with our recommendation and stated in its response it will work to strengthen policies and procedures to ensure that documentation for dependent death benefits and the eligibility status of dependents as claimants are fully documented to establish the basis for payment. The CVCP stated it will utilize the access to the Idaho Department of Labor's data and will also develop polices to include proof of guardianship. A worksheet to document how dependent death benefits are calculated will be included in the case file. The CVCP stated the expected completion date is October 1, 2018.

This recommendation can be closed when we receive documentation that demonstrates procedures have been strengthened to ensure that dependent death documentation and the eligibility status of dependents as claimants is fully documented to establish the basis of payment.

4. **Ensure the CVCP develops and implements formal procedures to ensure the annual Crime Victim Compensation State Certification Form is completed accurately.**

Closed. This recommendation is closed. OJP and the CVCP concurred with the recommendation and provided documentation demonstrating the CVCP developed and implemented Crime Victim Compensation State Certification Form procedures.

We reviewed the CVCP's Crime Victim Compensation State Certification Form procedures and determined the documentation adequately address our recommendation.

5. Ensure the CVCP develop and adhere to written policies and procedures for compiling, completing, and submitting accurate performance reports.

Closed. This recommendation is closed. OJP and the CVCP concurred with the recommendation and provided documentation demonstrating the CVCP developed and implemented the policies and procedures for compiling, completing, and submitting accurate performance reports.

We reviewed the policies and procedures implemented by the CVCP and determined the documentation adequately address our recommendation.

6. Ensure the CVCP establishes and adheres to policies and procedures for identifying drawdown amounts and minimizing the time between drawdown and disbursement in accordance with the DOJ Grants Financial Guide to reduce excess cash on hand.

Closed. This recommendation is closed. OJP and the CVCP concurred with the recommendation and provided documentation demonstrating the CVCP established and implemented policies and procedures related to drawdowns and the disbursement of drawn-down funds.

We reviewed CVCP's drawdown policies and procedures and determined the documentation adequately address our recommendation.

7. Ensure the CVCP develops and adheres to formal written policies and procedures for financial reporting.

Closed. This recommendation is closed. OJP and the CVCP concurred with the recommendation and provided documentation demonstrating the CVCP developed policies and procedures for financial reporting.

We reviewed CVCP's financial reporting policies and procedures and determined the documentation adequately address our recommendation.



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U.S. DEPARTMENT OF JUSTICE OFFICE OF THE INSPECTOR GENERAL

950 Pennsylvania Avenue, Northwest
Suite 4760
Washington, DC 20530 0001

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