



Audit of the Office of Justice Programs  
Victim Compensation Grants Awarded  
to the District of Columbia Superior Court,  
Washington, D.C.



22-096

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**AUGUST 2022**

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# EXECUTIVE SUMMARY

## Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the District of Columbia Superior Court, Washington, D.C.

### Objective

The objective of the audit was to evaluate how the District of Columbia Superior Court (DCSC) 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

DCSC provided reasonable assurance that it used Office for Victims of Crime (OVC) victim compensation funds to compensate crime victims while complying with Victims of Crime Act (VOCA) and the District of Columbia requirements. We noted no reported discrepancies pertaining to DCSC's crime victim compensation program implementation, compliance with tested special conditions, claims expenditures, administrative expenditures, drawdowns, or federal financial reports. However, DCSC needs to enhance policies and procedures governing how it compiles and reviews both its annual state certification form and annual performance reports. In addition, DCSC needs to further ensure that its authorized claim payment records reconcile to the payments made in the financial system. We provide three recommendations to the Office of Justice Programs (OJP) to address these deficiencies.

### Recommendations

Our report contains three recommendations to OJP to assist DCSC in improving its grant management and administration. We requested a response to our draft audit report from DCSC officials and OJP; these responses can be found in Appendices 2 and 3, respectively. Our analysis of those responses is included in Appendix 4.

### Audit Results

From Fiscal Years (FYs) 2018 to 2020, OJP's OVC awarded three VOCA victim compensation formula grants totaling \$7,436,000 to DCSC. The awards were to provide compensation benefits to D.C. crime victims. As of November 2021, DCSC drew down a cumulative amount of \$7,436,000 for the three grants reviewed.

#### Program Accomplishments

We found DCSC enhanced services for crime victims through outreach efforts to increase public awareness of available benefits and by distributing the VOCA funding it received to the victims of crime and their families.

#### Annual State Certification Form

DCSC submitted incorrect certification forms that OJP relies on to calculate future formula awards. Errors in the 2020 certification form will result in DCSC being allocated over \$2.6 million less for its FY 2022 VOCA award than what it would have been allocated had DCSC provided correct information. DCSC needs to ensure its employees receive training and follow established form preparation policies and procedures to provide reasonable assurance that its annual state certification forms are accurate.

#### Annual Performance Reporting

We determined that DCSC should improve its oversight for compiling its annual and quarterly performance reports.

#### Grant Financial Management

We determined that DCSC should develop and implement a comprehensive process to document reconciliation of victim compensation payments to its systems.

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# 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 District of Columbia Superior Court (DCSC) in Washington, D.C. OVC awards victim compensation grants annually from the Crime Victims Fund (CVF) to state administering agencies. As shown in Table 1, from fiscal years (FYs) 2018 through 2020, these OVC grants totaled \$7,436,000.

**Table 1**

**Audited Grants  
Fiscal Years 2018 - 2020**

Award Number	Award Date	Award Period Start Date	Award Period End Date	Award Amount
2018-V1-GX-0016	08/09/2018	10/01/2017	09/30/2021	\$2,872,000
2019-V1-GX-0041	09/13/2019	10/01/2018	09/30/2022	4,169,000
2020-V1-GX-0050	09/17/2020	10/01/2019	09/30/2023	395,000
<b>Total:</b>				<b>\$7,436,000</b>

Note: Grant funds are available for the fiscal year of the award plus 3 additional fiscal years.

Source: OJP JustGrants

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.<sup>1</sup> The CVF is supported entirely by federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments. 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 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.<sup>2</sup>

## The Grantee

The District of Columbia Courts are comprised of the D.C. Court of Appeals and DCSC, which provides administrative support to both courts. There are about 120 judges in the two courts, as well as 24 magistrate judges. The court system maintains a professional staff of approximately 1,500 people.

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<sup>1</sup> The VOCA victim compensation formula program is funded under Title 34 U.S.C. § 20102.

<sup>2</sup> This program defines criminal violence to include drunk driving and domestic violence.

As a VOCA administering agency for the District of Columbia, DCSC is responsible for administering D.C.'s victim compensation program. DCSC operates its crime victim compensation program (also referred to as CVCP) to provide financial assistance to victims of violent crime and their families. Compensable expenses within this program include medical and mental health expenses, lost wages, loss of support, funeral costs, crime scene clean up, temporary emergency food and housing, and attorney fees.

## **OIG Audit Approach**

The objective of the audit was to evaluate how DCSC 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 DOJ Grants Financial Guides as criteria. We also reviewed relevant DCSC policies and procedures and interviewed DCSC personnel to determine how they administered the VOCA funds. We also interviewed DCSC's budget and finance personnel and further obtained and reviewed DCSC records reflecting grant activity.<sup>3</sup>

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<sup>3</sup> 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 discussed with DCSC officials the process for making victim compensation payments. We reviewed DCSC's policies and procedures for providing compensation payments to victims, as well as the accuracy of the state certification forms.

Overall, we determined that DCSC's implementation of its victim compensation program was generally appropriate and in compliance with the VOCA Guidelines. While DCSC generally complied with federal grant requirements and established an adequate program to compensate victims and survivors of criminal violence, we identified opportunities for it to improve program administration and strengthen internal controls pertaining to annual state certification reporting.

## Program Implementation

State administering agencies receive VOCA victim compensation grants to compensate victims directly for expenses incurred from crime. As the state administering agency for the District of Columbia, DCSC was responsible for the jurisdiction's crime victim compensation program, including meeting all financial and programmatic requirements. When paying claims for victims, DCSC operated under the District of Columbia code, which conveyed the specific policies for the victim compensation program.<sup>4</sup> In assessing DCSC's implementation of its victim compensation program, we analyzed policies and procedures governing the decision-making process for individual compensation claims, as well as the efforts DCSC had made to bring awareness to victims eligible for compensation program benefits.

We found DCSC had implemented processes for reviewing applications, determining claimant eligibility, reviewing requests for payment of expenses incurred, and paying individual compensation claims. DCSC maintained adequate separation of duties for each of these processes.

If a claim is denied, DCSC maintains procedures whereby a claimant can request that DCSC revisit its determination. To test the adequacy of the denied claim process and procedures and determine whether DCSC adequately supported decisions, we selected and reviewed six denied claims. Of these six claims, three underwent DCSC's appeal process. For each, we reviewed applications for benefits, police reports from law enforcement agencies, and other supporting documentation. Our review found that case files for the six denied claims contained adequate support for DCSC decisions and demonstrated that DCSC processed the claims in accordance with DCSC policies and VOCA Guidelines.

We also found that DCSC implemented efforts to increase community awareness to further the scope of its crime victim compensation program. Outreach efforts or 'access to justice' is captured both in the court's strategic plan as well as in local statutes, such as establishing a team specifically dedicated to the CVCP, increasing cooperation and program awareness with D.C.'s Advisory Neighborhood Commissioners and

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<sup>4</sup> District of Columbia Code § 4-501

universities, and working with a policy office within the City Council. In addition, DCSC adopted measures to extend the community's awareness of its victim compensation services by partnering with victim service providers and organizations throughout D.C. and D.C. victim hotline. Lastly, we found that DCSC implemented procedures for accepting applications, reviewing cases to establish eligibility, determining applicable compensation amounts, and processing payments during the COVID-19 Pandemic.

## Annual State Certification

State administering agencies must submit an annual Crime Victim Compensation State Certification Form (certification form), which provides the OVC with the necessary information to determine the amount of future awards. 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 grant funds to each state using a formula that takes into consideration the state's eligible compensation claims paid out to victims during the prior 2 fiscal years.<sup>5</sup> The accuracy of the information provided in the certification form is critical to OJP's correct calculation of the victim compensation award amounts granted to each state.<sup>6</sup>

DCSC maintained policies and procedures to prepare and submit certification forms. We assessed DCSC's controls for preparing the certification forms submitted for FYs 2018 through 2020 and sought to reconcile figures on these forms (to include total funds paid, payouts made with VOCA funds, subrogation, and refunds) to available support for the payouts and revenues. OJP relied on these certification forms to calculate the victim compensation awards that DCSC received for FYs 2020 through 2022. Our reconciliation used official accounting records and other support, including documents provided by DCSC's Budget and Finance Division, Financial Operations Branch (FOB).

The claim payouts that DCSC made with state and federal funds did not reconcile to accounting records due to various reporting errors. As shown in Table 2, we found that errors in the FYs 2018 to 2020 certification forms that, in turn, affected DCSC's total VOCA eligible and victim compensation formula grant awards and allotments for FYs 2020 to 2022. The net effect of these discrepancies resulted in DCSC being allocated \$2,673,000 less in funding than what it could have been awarded.<sup>7</sup>

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<sup>5</sup> In July 2021, Congress enacted the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, Pub. L. 117-27, § 2(a), 135 Stat. 301 (VOCA Fix Act), which changed the formula from 60 to 75 percent and removed the requirement for state compensation programs to deduct subrogation and restitution recoveries from the eligible payout amount. These changes went into effect immediately and were applied to FY 2019 certification forms and FY 2021 grant awards.

<sup>6</sup> 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.

<sup>7</sup> OJP rounds victim compensation awards to the nearest thousand dollars.

**Table 2**

**Comparison of Certification Form Data to OIG Recalculation of Formula Awards**

<b>Certified Eligible Payout Amounts</b>			
	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Derived from DCSC Certification Form Data	\$658,662	\$1,507,475 <sup>a</sup>	\$1,393,160 <sup>a</sup>
OIG Calculation of Certification Form	759,289	1,405,580	4,978,460
Differences	(\$100,627)	\$101,895	(\$3,585,300)
<b>VOCA Victim Compensation Formula Grant Awards (Rounded to nearest thousand dollars)</b>			
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Actual Award or Allocation <sup>b</sup>	\$395,000	\$1,131,000	\$1,045,000
Award Amount Based on OIG Calculation <sup>c</sup>	456,000	1,054,000	3,734,000
Differences	(\$61,000)	\$77,000	(\$2,689,000)
		Net Difference	(\$2,673,000)

<sup>a</sup> OJP respectively applied these figures as the FY 2019 and FY 2020 certified eligible payout amounts. OJP adjusted the (1) FY 2019 figure to account for VOCA Fix changes and (2) FY 2020 figure as the DCSC certification form incorrectly listed \$1,162,506.

<sup>b</sup> DCSC's FY 2022 VOCA Victim Compensation Formula Grant had been allocated but not awarded as of June 2022.

<sup>c</sup> OIG calculation determined by applying OJP's formula to the "OIG Calculation of Certification Form" amount.

Source: OIG Analysis

First, the FY 2018 certification form entries did not reconcile to DCSC accounting records.<sup>8</sup> As a result, the eligible amount listed was understated by \$100,627, resulting in DCSC receiving \$61,000 less than what OJP would have calculated for FY 2020 by using supported figures. Second, the FY 2019 certification form listed amounts for state and federal funds that did not reconcile to DCSC accounting records. DCSC also underreported refunds on this form. The net effect of these discrepancies on the FY 2019 form resulted in overstating DCSC's eligibility amount by \$101,895 and receiving \$77,000 more than what OJP would have otherwise calculated for DCSC's FY 2021 formula award using supported figures. Third, the 2020 certification form included an error with regard to the reported eligibility figure. The DCSC's FY 2020 certification form erroneously applied \$4,169,000—or its FY 2019 VOCA payout allotment—as the amount of VOCA funds to be deducted from its payout instead of the total VOCA payout of \$375,250. This error resulted in DCSC certifying approximately \$3,585,300 less in eligibility, which will result in DCSC receiving \$2,689,000 less than what would have been calculated for its FY 2022 award.<sup>9</sup>

As stated previously, we found that the net effect of these discrepancies resulted in DCSC receiving \$2,673,000 less in funding than what it could have been awarded over the 3 years of our scope. According to VOCA Guidelines, whenever a jurisdiction under certifies amounts paid to crime victims, OVC and OJP will

<sup>8</sup> DCSC stated that it was unable to locate the supporting documentation files for subrogation and refunds for the FY 2018 state certification form as the prior accounting officer had since retired.

<sup>9</sup> The OJP's VOCA Victim Compensation Certification Requirements do not include amounts other than compensation payments, such as administrative costs.

not supplement payments to the jurisdiction to correct the jurisdiction's error since this would require recalculating allocations to every VOCA compensation and assistance program and disrupt the administration of these programs.

Yet, these discrepancies demonstrate that DCSC did not prepare and submit accurate annual certification forms. DCSC personnel acknowledged the discrepancies for the state and federal amounts in the above certification forms and stated that they were uncertain why the numbers did not match to the accounting records for FY 2018 and FY 2019. Further, the budget and financial personnel stated that the differences may stem from the rotation of staff between award periods and the lack of succession planning.

While DCSC maintained policies and procedures to guide staff in preparing and submitting annual certification forms, DCSC staff did not follow these policies and procedures to prepare the forms noted above. DCSC needs to ensure that its personnel scrupulously follow its annual certification form preparation policies and procedures to compile annual state certification forms that accurately capture annual CVCP activity. Therefore, we recommend OJP work with DCSC to train all personnel involved in the annual certification form process how to correctly compile, review, and submit these forms. To address the concerns that DCSC officials expressed about turnover and succession planning, DCSC efforts to implement this recommendation need to ensure that newly hired employees involved in preparing, reviewing, or submitting the annual certification form receive such training.

## **Program Requirements and Performance Reporting**

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

This overall assessment determined that DCSC records generally supported the performance data reported to the OVC. However, we noted minor variances between data reported to the OVC and data in DCSC's claims database. In addition to DCSC's performance reporting, we selected and tested four special conditions from each grant. We found that DCSC complied with those special conditions tested.

## **Annual and Quarterly 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 official grant management system.<sup>10</sup> The OVC also requires 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 and submit to OJP the Annual State Performance Report.

For victim compensation grants, 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

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<sup>10</sup> In October 2020, the Justice Grants System, also known as JustGrants, replaced OJP's former Grants Management System as the new grants management and payment management system.

number of applications that were received, approved, denied, and closed; and total compensation paid by service type.

DCSC CVCP uses the Claim Assistance Software database (CAS) to compile its annual and quarterly performance reports.<sup>11</sup> To assess whether DCSC's performance reports reconciled to actual performance victim compensation program figures, we selected three quarterly periods from the annual performance reports for FYs 2018 through 2020. Additionally, from the sampled three quarters, we judgmentally selected five performance measures and compared the data points reported in PMT to CAS reports. These data points included the: (1) number of new claims received during the reporting period, (2) number of claims denied and closed as ineligible, (3) number of claims received by demographic (age), (4) total amount by crime type, and (5) total paid across crime type categories during the reporting period. As shown in Table 3, our testing yielded some minor variances and we determined that, compared to CAS data, DCSC underreported the total amount paid across crime type categories in FY 2018 by \$962 and in FY 2020 by \$41,260.

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<sup>11</sup> CAS holds all victim compensation claim files and case notes. DCSC takes victim demographic and other performance reporting information from CAS and submits it to OVC's PMT system.

**Table 3****Sampled Quarter 4 Performance Statistics Reported to OVC  
FYs 2018, 2019, and 2020**

Performance Categories	FY 2018	FY 2019	FY 2020
<b>Number of New Claims Received</b>			
DCSC Data Reported in PMT	860	529	588
DCSC Data Contained in CAS	860	532	588
Difference	0	(3)	0
<b>Number of Claims Denied and Closed as Ineligible</b>			
DCSC Data Reported in PMT	1	5	0
DCSC Data Contained in CAS	1	2	0
Difference	0	3	0
<b>Total Demographics<sup>a</sup></b>			
DCSC Data Reported in PMT	860	529	588
DCSC Data Contained in CAS	860	532	588
Difference	0	(3)	0
<b>Total Paid Across Crime Type Categories<sup>b</sup></b>			
DCSC Data Reported in PMT	\$1,398,277	\$1,532,722	\$1,464,836
DCSC Data Contained in CAS	\$1,399,239	\$1,532,719	\$1,506,096
Difference	(\$962)	\$3	(\$41,260)

<sup>a</sup> Victim compensation program performance measures are reported in two formats—quantitative (numeric) and qualitative (narrative responses). This data must be entered in the OVC's PMT. Demographic data in the PMT includes the following categories: Race/Ethnicity, Gender, and Age.

<sup>b</sup> Our sample also considered the total sum amounts by Crime Type Categories for FY 2018 through FY 2020 Quarter 4 performance reports. Claims related to assaults, homicides, sexual assaults, arsons, and robberies represented the highest number of amounts paid by crime category.

Sources: OIG analysis of the OVC's PMT reports and DCSC's CAS reports

DCSC's CVCP policy states that the CVCP accounting officer or accounting technician generate a quarterly Performance Measures Report from CAS to report population demographics, performance measures, and payment statistics to OJP. The policy also states that the CVCP Director reviews the report prior to submission to OJP. DCSC's officials confirmed that while a designated CVCP accounting officer pulls data from CAS and submits the data to OJP, another person does not review the report prior to submission to OJP. DCSC officials also told us that the variances between data could have been caused by (1) human error and (2) differences between the dates when the information is submitted to the OVC and when the information is pulled from CAS.

According to DOJ's Grants Financial Guide, the funding recipient must ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the program solicitation. Additionally, in its Victim Compensation Program Grantee Frequently Asked Questions, the OVC informs state administering agencies that the accuracy and timeliness of reported performance measure data is extremely important because it uses the data to generate an annual report on the program, as well as to respond to specific inquiries.

When DCSC submits inaccurate or imprecise performance and financial data, there is an increased risk that DCSC is providing an incomplete or inaccurate description of the value and benefits of the program to government agencies, the victim services field, the public, and other stakeholders. Therefore, we recommend that OJP work with DCSC to improve annual and quarterly performance report oversight by ensuring that the information collected undergoes appropriate levels of review prior to submission.

## **Compliance with Special Conditions**

The special conditions of a federal grant award establish specific requirements for grant recipients. In its grant application documents, DCSC certified it would comply with these special conditions. We reviewed the special conditions for each VOCA victim compensation program grants and identified special conditions that we deemed significant to grant performance which are not otherwise addressed in another section of this report.

We judgmentally selected four special conditions to review in greater detail: (1) the requirement that the awards' point of contacts and all financial points of contacts complete the OJP Financial and Grant Administration Training, (2) the requirement to report actual or imminent breach of personally identifiable information, (3) policies that ban text messaging while driving, and (4) the requirement that at least one key grantee official attend the annual VOCA National Training Conference.

We found that DCSC complied with the four special conditions we reviewed.

## **Grant Financial Management**

Award recipients must establish an adequate accounting system and maintain financial records that accurately account for awarded funds. To assess the adequacy of DCSC's financial management of the VOCA victim compensation grants, we examined expenditures that DCSC charged to the grants as well as its subsequent drawdown requests and resulting financial reports. We also interviewed DCSC personnel responsible for financial aspects of the grants, reviewed DCSC's written policies and procedures, inspected award documents, and reviewed financial records.<sup>12</sup>

Our overall assessment of grant financial management determined that DCSC grant expenditures were generally allowable, supported by adequate documentation, and approved in accordance with District of Columbia statutes and VOCA Guidelines. In addition, we determined that DCSC implemented adequate controls over its drawdowns and federal financial reports. However, DCSC needs to improve how its CVCP and FOB offices collaborate to reconcile authorized claim payments to the financial system.

DCSC's CVCP is the office responsible for managing the adequacy of claim applications, eligibility and approval of claim payments, and its FOB is the office responsible for issuing check payments made to those claims. We found that CVCP and FOB do not reconcile claim payments between CAS and FOB's accounting

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<sup>12</sup> In setting the parameters of our testing, we considered that the District of Columbia's Single Audit Reports for FYs 2018 to 2020 did not identify significant deficiencies or material weaknesses specifically related to DCSC's victim compensation program.

system, which is called MIP.<sup>13</sup> CVCP uses CAS to support claims decisions and payments, while FOB records actual VOCA victim compensation grant expenditures and payments in MIP. Table 4 shows the total amount of claim payments for each grant year and the differences contained in both systems.

**Table 4**

**DCSC FY 2018 – FY 2020 Claim Payments in DCSC’s Systems**

DCSC Systems	FY 2018	FY 2019	FY 2020
CAS	\$5,990,863	\$5,277,108	\$5,401,108
MIP	\$5,913,989	\$5,373,526	\$5,355,632
<b>Difference:</b>	<b>(\$76,874)</b>	<b>\$96,418</b>	<b>(\$45,476)</b>

Source: OIG Analysis

DCSC must reconcile its decisions in CAS to payments in MIP to ensure claim payments are adequately recorded in CAS and accordingly, matched to the claim amounts actually paid. We assessed the controls over CAS and MIP reconciliations and found that although victims were adequately paid via MIP, not all payments were consistently tracked in CAS. We brought this issue to CVCP and FOB offices and they acknowledged that although there is a process in place to communicate when a victim claim is paid, CAS and MIP do not reconcile.<sup>14</sup> A CVCP official confirmed that DCSC does not reconcile the overall claim payments to MIP. Both offices agreed that CVCP and FOB need to reconcile CAS data and MIP payment information at least quarterly. Without reconciling claims paid from MIP to CAS can potentially result in inaccurate VOCA grant payments. Therefore, we recommend that OJP work with DCSC to implement a process for its programmatic and financial personnel to document the reconciliation of victim compensation payments from MIP to CAS system.

### Grant Expenditures

State administering agency VOCA 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.

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<sup>13</sup> MIP Fund Accounting is the accounting and financial management software utilized by the Budget and Finance Division, FOB.

<sup>14</sup> To know if victim claim payments are made, CVCP officials rely on FOB to provide a file of claims paid because CVCP officials do not have access to MIP and cannot make payments directly from CAS.

## **Victim Compensation Claim Expenditures**

Victims of crime in the District of Columbia submit claims for reimbursement of expenses incurred as a result of victimization, such as medical and funeral costs or loss of wages. DCSC staff adjudicate these claims for eligibility and make payments from the VOCA victim compensation grants and state funding.

We reviewed victim compensation claims to determine whether the payments were accurate, allowable, timely, and in accordance with VOCA Guidelines, DCSC policies covering its CVCP, and District of Columbia statute. In addition, we obtained an understanding of DCSC's claims process and financial operations to identify if any type of payment or claim was high-risk by interviewing DCSC officials. We reviewed oversight reports applicable to DCSC, such as Single Audit Reports, OJP Office of the Chief Financial Officer site reports, and OVC Enhanced Programmatic Desk Reviews to identify if there were prior findings regarding claim payments. We also analyzed DCSC claim payments to identify unallowable transactions. We judgmentally selected 75 federal claims totaling \$224,151 and 15 state claims totaling \$176,607. The transactions we reviewed included costs in the following categories: temporary emergency food and housing, moving expenses, transportation expenses, medical expenses, Metro transit cards, and Safeway food cards. This test found the expenditures generally allowable, supported by adequate documentation, approved in accordance with DCSC policies and VOCA Guidelines and processed in a timely manner.

## **Administrative Expenditures**

The state administering agency may retain up to 5 percent of each grant to pay for administering its crime victim compensation program. However, such costs must derive from efforts to improve program effectiveness and service to crime victims, including claims processing, staff development and training, and public outreach. For the compensation grant program, we tested DCSC's compliance with the 5-percent limit on the administrative category of expenses. We found that DCSC did not exceed the 5-percent administrative expense threshold. We compared the total administrative expenditures charged to the grants against the general ledger and determined that DCSC complied with these limits for each grant.

In addition to testing DCSC's compliance with the 5-percent administrative allowance threshold, we also tested a sample of 12 administrative transactions, totaling \$38,755, for allowability and evidence of supporting documentation. These transactions included personnel expenditures and fringe benefit costs. We found these DCSC administrative costs allowable and supported.

## **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 reimbursements or disbursements made immediately or within 10 days. To assess whether DCSC managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in DCSC's accounting system and accompanying financial records.

For the VOCA victim compensation awards, DCSC calculates drawdown amounts sufficient to cover victim compensation claims and state administration expenditures on a reimbursement basis. We did not identify significant deficiencies related to the recipient's process for developing drawdown requests.

## Financial Reporting

According to the 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 DCSC submitted accurate Federal Financial Reports, we compared the reports to DCSC's accounting records for each grant.

We determined that quarterly and cumulative expenditures for the reports reviewed generally matched DCSC accounting records for the three grants under audit.

## Conclusion and Recommendations

DCSC provided reasonable assurance that it used OVC victim compensation funds to compensate crime victims while complying with VOCA and the District of Columbia requirements. We noted no reported discrepancies pertaining to DCSC's crime victim compensation program implementation, compliance with tested special conditions, claims expenditures, administrative expenditures, drawdowns, or federal financial reports. However, DCSC needs to enhance policies and procedures governing how it compiles and reviews both its annual state certification form and annual performance reports. In addition, DCSC needs to further ensure that its authorized claim payment records reconcile to the payments made in the financial system. We provide three recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Work with DCSC to train all personnel involved in the annual certification form process how to correctly compile, review, and submit these forms.
2. Work with DCSC to improve annual and quarterly performance report oversight by ensuring that the information collected undergoes appropriate levels of review prior to submission.
3. Work with DCSC to implement a process for its programmatic and financial personnel to document the reconciliation of victim compensation payments from MIP to CAS system.

# APPENDIX 1: Objectives, Scope, and Methodology

## Objectives

The objective of the audit was to evaluate how the District of Columbia Superior Court (DCSC) 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 2018-V1-GX-0016, 2019-V1-GX-0041, and 2020-V1-GX-0050 from the Crime Victims Fund (CVF) awarded to DCSC. The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) awarded these grants totaling \$7,436,000 to DCSC, which serves as the state administering agency. Our audit concentrated on, but was not limited to, the period of October 1, 2017, the project start date for VOCA compensation grant number 2018-V1-GX-0016, through May 2022. As of November 2021, DCSC had drawn down a total of \$7,436,000 from the three audited grants. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of DCSC's activities related to the audited grants, which included conducting interviews with DCSC personnel, including budget and finance personnel, examining policies and procedures, and reviewing grant documentation and financial records. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, financial reports, and progress reports. 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 DOJ Grants Financial Guide, DCSC victim compensation program criteria, and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from OJP's JustGrants System as well as DCSC 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.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of DCSC to provide assurance on its internal control structure as a whole. DCSC management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. § 200. Because we do not express an opinion on DCSC's internal control structure as a whole, we offer this statement solely for the information and use of DCSC and OJP.<sup>15</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we reviewed the design and implementation of DCSC written grant policies and procedures and process controls pertaining to aspects of grant planning, performance reporting, and financial management. We also tested the implementation and operating effectiveness of specific controls over grant execution and compliance with laws and regulations in our audit scope. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

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<sup>15</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

# APPENDIX 2: District of Columbia Superior Court Response to the Draft Audit Report



CHERYL R. BAILEY  
Acting Executive Officer

HERBERT ROUSON, JR.  
Acting Deputy Executive Officer

DISTRICT OF COLUMBIA COURTS  
Budget and Finance Division  
Office: Gallery Place, Suite 600.07  
616 H Street NW  
Washington, DC 20001  
Mailing Address: 500 Indiana Avenue NW  
Washington, DC 20001-2131



HAMER LEGETTE  
Chief Financial Officer

July 29, 2022

Mr. John Manning  
Regional Audit Manager  
U.S. Department of Justice  
Office of Justice Programs  
Office of Audit, Assessment, and Management  
Washington DC 20531

Dear Mr. Manning,

This letter provides the response to the U.S. Department of Justice (DOJ), Office of the Inspector General's (OIG) July 8, 2022, draft audit report entitled, *Audit of the Office of Justice Programs (OJP) Victim Compensation Grants Awarded to the District of Columbia Superior Court*. This District of Columbia Superior Court (DCSC) appreciates the opportunity to review and comment on the draft report.

The draft audit report contained three recommendations to OJP to assist DCSC in improving its grant management and administration. For ease of review, the recommendations directed to OJP are summarized below and are followed by DCSC response.

- 1. Work with DCSC to train all personnel involved in the annual certification form process how to correctly compile, review, and submit these forms.**

DCSC's Crime Victim Compensation Program (CVCP) concurs with this recommendation. The CVCP will work with the DCSC's Office of Budget and Finance Division to schedule training on the Annual State Certification form with the OJP. Our proposed corrective action implementation date is December 30, 2022.

- 2. Work with DCSC to improve annual and quarterly performance report oversight by ensuring that the information collected undergoes appropriate levels of review prior to submission.**

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Budget and Finance Division  
Office of the Chief Financial Officer

Phone: 202.879.7598  
Fax: 202.879.5543  
E-mail: hamer.legette@dccsystem.gov

DCSC's CVCP concurs with this recommendation. The CVCP will implement a multi-level review process to limit human error in reporting and ensure better accuracy of the performance reports. The CVCP will seek feedback from OJP to further improve the performance reporting process. Our proposed corrective action implementation date is December 30, 2022.

**3. Work with DCSC to implement a process for its programmatic and financial personnel to document the reconciliation of victim compensation payments from MIP to CAS system.**

DCSC's CVCP concurs with this recommendation. The CVCP will continue to work with the DCSC's Office of Budget and Finance Division to address instances where the totals from both systems do not reconcile. Currently this a work in progress corrective action by DCSC, until the implementation a new Court-wide system.

Thank you for the opportunity to respond to this draft report, and for your continued collaboration to improve the administration of our Victims of Crime Act, Victim Compensation Formula Grant Program. If you have any questions regarding this response, please me, at (202) 879-7598.

Sincerely,

*Hamer Legette*

Hamer Legette  
District of Columbia Courts  
Chief Financial Officer

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# APPENDIX 3: The Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

August 4, 2022

MEMORANDUM TO: John J. Manning  
Regional Audit Manager  
Washington Regional Audit Office  
Office of the Inspector General

FROM: Ralph E. Martin *Ralph E. Martin*  
Director

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the District of Columbia Superior Court, Washington, D.C.*

This memorandum is in reference to your correspondence, dated July 8, 2022, transmitting the above-referenced draft audit report for the District of Columbia Superior Court (DCSC). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains three 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 work with DCSC to train all personnel involved in the annual certification form process how to correctly compile, review, and submit these forms.**

OJP agrees with the recommendation. In its response, dated July 29, 2022, DCSC stated that, by December 30, 2022, its Crime Victim Compensation Program (CVCP) will work with its Office of Budget and Finance Division to train staff on the annual Crime Victim Compensation State Certification Form.

Accordingly, we will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, for ensuring that the amounts reported on its annual Crime Victim Compensation State Certification Forms are accurate, prior to submission; and the supporting documentation is maintained for future auditing purposes. In addition, we will obtain evidence that all DCSC staff, involved in the process of completing the annual Crime Victim Compensation State Certification Forms, have been properly trained on how to correctly compile, review, and submit these forms.

2. **We recommend that OJP work with DCSC to improve annual and quarterly performance report oversight by ensuring that the information collected undergoes appropriate levels of review prior to submission.**

OJP agrees with the recommendation. In its response, dated July 29, 2022, DCSC stated that, by December 30, 2022, its CVCP will implement a multi-level review process to limit human error in reporting, to ensure better accuracy of its performance reports.

Accordingly, we will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, to ensure that the information collected for annual and quarterly performance reports undergoes appropriate levels of review before the reports are submitted to OJP; and the supporting documentation is maintained for future auditing purposes.

3. **We recommend that OJP work with DCSC to implement a process for its programmatic and financial personnel to document the reconciliation of victim compensation payments from MIP to CAS system.**

OJP agrees with the recommendation. In its response, dated July 29, 2022, DCSC stated that its CVCP will continue to work with its Office of Budget and Finance Division to address instances where the totals from its Claim Assistance Software (CAS) do not reconcile with totals from the Micro Information Products (MIP) Fund Accounting System, the accounting and financial management software utilized by its Budget and Finance Division, Financial Operations Branch. In addition, DCSC stated that this corrective action will be a work in progress, until the implementation of a new Court-wide system.

Accordingly, we will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, to ensure that its programmatic and financial staff document the reconciliation of victim compensation payments between its CAS and MIP systems; and the supporting documentation is maintained for future auditing purposes.

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. Hemeberg  
Deputy Assistant Attorney General

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

cc: Kristina Rose  
Director  
Office for Victims of Crime

Katherine Darke Schmitt  
Principal Deputy Director  
Office for Victims of Crime

Kathrina S. Peterson  
Deputy Director  
Office for Victims of Crime

James Simonson  
Associate Director for Operations  
Office for Victims of Crime

Joel Hall  
Associate Director, State Victim Resource Division  
Office for Victims of Crime

Frederick Rogers  
Grant Management Specialist, State Victim Resource Division  
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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

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

cc: Louise Duhamel  
Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

OJP Executive Secretariat  
Control Number IT20220711101109

## **APPENDIX 4: The Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report**

The OIG provided a draft of this audit report to the Office of Justice Programs (OJP) and the District of Columbia Superior Court (DCSC). DCSC's response is incorporated in Appendix 2 of this audit report and OJP's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. Similarly, DCSC concurred with all three of our recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

### **Recommendations for OJP:**

- 1. Work with DCSC to train all personnel involved in the annual certification form process how to correctly compile, review, and submit these forms.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, for ensuring that the amounts reported on its annual Crime Victim Compensation State Certification Forms are accurate prior to submission and the supporting documentation is maintained for future auditing purposes. In addition, OJP stated it will obtain evidence that all DCSC staff involved in the process of completing the annual Crime Victim Compensation State Certification Forms have been properly trained on how to correctly compile, review, and submit these forms.

DCSC concurred with our recommendation and stated in its response that DCSC's Crime Victim Compensation Program (CVCP) will work with its Office of Budget and Finance Division to schedule training on the annual State Certification Form with OJP. The proposed corrective action implementation date is December 30, 2022.

This recommendation can be closed when we receive evidence that DCSC provided training to all personnel involved in the process of completing the annual Crime Victim Compensation State Certification Forms. Such evidence should include the personnel who attended and completed the training on how to correctly compile, review, and submit the annual State Certification forms to OJP.

- 2. Work with DCSC to improve annual and quarterly performance report oversight by ensuring that the information collected undergoes appropriate levels of review prior to submission.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, to ensure that the information collected for annual and quarterly performance reports undergoes appropriate levels of review before the reports are submitted to OJP and the supporting documentation is maintained for future auditing purposes.

DCSC concurred with our recommendation and stated in its response that the CVCP will implement a multi-level review process to limit human error in reporting and ensure better accuracy of the

performance reports. The CVCP will seek feedback from OJP to further improve the performance reporting process. The proposed corrective action implementation date is December 30, 2022. This recommendation can be closed when we receive evidence that DCSC's implemented policies and procedures to ensure information collected for its annual and quarterly performance reports undergoes appropriate levels of review prior to submission.

**3. Work with DCSC to implement a process for its programmatic and financial personnel to document the reconciliation of victim compensation payments from MIP to CAS system.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with DCSC to obtain a copy of written policies and procedures, developed and implemented, to ensure that its programmatic and financial staff document the reconciliation of victim compensation payments between the Claim Assistance Software (CAS) and Micro Information Products (MIP) Fund Accounting system; and the supporting documentation is maintained for future auditing purposes.

DCSC concurred with our recommendation and stated in its response that the CVCP will continue to work with DCSC's Office of Budget and Finance Division to address instances where the totals from both systems do not reconcile. DCSC advised that this remains a work in progress until the implementation of a new court-wide system.

This recommendation can be closed when we receive evidence that DCSC implemented written policies and procedures to ensure victim compensation claim payments reconcile in both DCSC systems. Until then, the CVCP should continue to work with the DCSC's Office of Budget and Finance Division to address instances where figures from the two systems do not reconcile.