



Audit of the Office of Justice Programs
Victim Assistance Grants Awarded to the
New York Office of Victim Services,
Albany, New York



AUDIT DIVISION

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EXECUTIVE SUMMARY

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Objective

The objective of the audit was to evaluate how the New York Office of Victim Services (NY OVS) designed and implemented its crime victim assistance 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, (3) grant financial management, and (4) monitoring of subrecipients.

Results in Brief

As a result of our audit, we concluded that NY OVS utilized and managed Victims of Crime Act (VOCA) funding to support its victim assistance program. This audit did not identify significant concerns regarding NY OVS's selection of subaward recipients or communication of grant requirements to subrecipients. However, we identified deficiencies and areas of improvement related to its utilization of awarded VOCA funds, recordkeeping for the priority area funding requirement, written policies and procedures, subgrant award data reporting, and subrecipient monitoring.

Recommendations

Our report contains four recommendations to the Office of Justice Programs (OJP) to assist NY OVS in improving its grant management and administration. We requested a response to our draft audit report from NY OVS and 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 completed an audit of two VOCA victim assistance formula grants awarded by the OJP Office for Victims of Crime (OVC) to NY OVS in Albany, New York. The OVC awarded these formula grants, totaling approximately \$331 million for fiscal years 2018 and 2019, from the Crime Victims Fund to support crime victim services throughout New York. As of November 2022, NY OVS drew down a cumulative amount of \$268,070,547 for the two grants we reviewed.

Program Accomplishments

We determined NY OVS served survivors and victims of crime by awarding subawards to approximately 200 victim service providers with its 2018 and 2019 grants.

Grant Program Planning and Execution

While we did not identify any issues with the selection of and communication of award requirements to its subrecipients, we found that NY OVS did not include the amount of previously awarded funds that were unspent by subrecipients into future award decisions or maintain adequate documentation to demonstrate budgeted funds would meet the priority area funding requirement.

Monitoring of Subrecipients

We found that NY OVS had written policies and procedures for subrecipient monitoring but did not clearly document that it completed its monitoring activities for its 2018 and 2019 grants. Additionally, we found its policies and procedures could be enhanced to ensure its compliance with the DOJ Grants Financial Guide and Uniform Guidance requirements.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of two victim assistance formula grants awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC) to the New York Office of Victim Services (NY OVS) in Albany, New York. The OVC awards victim assistance grants annually from the Crime Victims Fund (CVF) to State Administering Agencies (SAA). As shown in Table 1, from fiscal years (FY) 2018 to 2019, these OVC grants totaled \$331,383,703.

Table 1

**Audited Grants
Fiscal Years 2018 – 2019**

| Award Number | Award Date | Award Period Start Date | Award Period End Date ^a | Award Amount |
|-----------------|------------|-------------------------|------------------------------------|-----------------------|
| 2018-V2-GX-0047 | 8/9/2018 | 10/1/2017 | 9/30/2022 | \$199,383,453 |
| 2019-V2-GX-0040 | 9/13/2019 | 10/1/2018 | 9/30/2023 | \$132,000,250 |
| Total: | | | | \$ 331,383,703 |

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

^a The 2018 and 2019 award period end dates were extended 1 year.

Source: 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.¹ 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. The total amount of funds that the OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress (the cap).

Beginning in 2015, Congress significantly raised the cap on CVF disbursements from prior years, which increased funding for victim assistance grants from \$456 million in 2014 to a high of \$3 billion in 2018. Since 2018, the cap has decreased along with deposits into CVF, with the most recent cap set at \$1.9 billion for FY 2023. The OVC allocates the annual victim assistance program awards based on the amount authorized for victim assistance each year and the states’ population. As such, the annual VOCA victim assistance grant funds available to NY OVS increased to an average of \$117 million between 2015 and 2022, with the highest amount of more than \$199 million awarded in 2018 and lowest amount of about \$53 million in 2021.

¹ The VOCA victim assistance formula program is funded under 34 U.S.C. § 20103.

VOCA victim assistance grant funds support the provision of direct services—such as crisis intervention, assistance filing restraining orders, counseling in crises arising from the occurrence of crime, and emergency shelter—to victims of crime. The OVC distributes these assistance grants to states and territories, which in turn fund subawards to public and private nonprofit organizations that directly provide the services to victims. Eligible services are efforts that: (1) respond to the emotional and physical needs of crime victims, (2) assist primary and secondary victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, and (4) provide victims of crime with a measure of safety and security.

The Grantee

As the New York SAA, NY OVS was responsible for administering the VOCA victim assistance program. For about 55 years, NY OVS has provided compensation and other assistance services to victims of crime. Part of NY OVS's mission is to fund direct services to victims of crime and their families through a network of programs across New York State, which included approximately 200 organizations at the time of our audit. As part of its mission, NY OVS coordinates with criminal justice agencies in New York on victim and witness service initiatives and priorities and serves as a liaison for the agency with various crime victim coalitions, federal authorities, the public, and other interested parties.

OIG Audit Approach

The objective of the audit was to evaluate how NY OVS designed and implemented its crime victim assistance 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, (3) grant financial management, and (4) monitoring of subrecipients.

We tested compliance with what we considered the most important conditions of the grants. The VOCA legislation; the VOCA victim assistance program guidelines and Final Rule (VOCA Guidelines); 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); the DOJ Grants Financial Guide; and the award documents contain the primary criteria we applied during the audit. We also reviewed relevant NY OVS policies and procedures and interviewed NY OVS personnel to determine how they administered the VOCA funds.

The results of our analyses are discussed in detail in the following section of this report. Appendix 1 contains additional information on the audit's objective, scope, and methodology.

Audit Results

Grant Program Planning and Execution

The main purpose of the VOCA victim assistance grants is to support crime victim services. NY OVS, which is the primary recipient of victim assistance grants at the state level in New York, must distribute the majority of the funding to organizations that provide direct services to victims, such as rape treatment centers, domestic violence shelters, centers for missing children, and other community-based victim coalitions and support organizations. As the SAA, NY OVS has the discretion to select subrecipients from among eligible organizations, although the VOCA Guidelines require SAAs give priority to victims of sexual assault, domestic abuse, and child abuse. SAAs must also make funding available for previously underserved populations of violent crime victims.² As long as a SAA allocates at least 10 percent of available funding to victim populations in each of these victim categories, it has the discretion in determining the amount of funds each subrecipient receives.

As part of our audit, we assessed NY OVS's overall plan to allocate and award the victim assistance funding. We reviewed how NY OVS planned to distribute its available victim assistance grant funding, made subaward selection decisions, and informed its subrecipients of necessary VOCA requirements. We also assessed whether NY OVS met the priority areas funding and subaward reporting requirements.

As discussed below, we did not identify any issues with its process to select subrecipients and found that NY OVS adequately communicated applicable VOCA requirements to its subrecipients. However, we found NY OVS did not have an adequate plan for spending its VOCA funds and did not maintain documentation to demonstrate it met the priority areas funding requirement.

Subaward Allocation Plan

The OVC's FY 2018 and 2019 VOCA Victim Assistance Formula Solicitation required that state and territory applicants submit a subrecipient funding plan that detailed their efforts to identify additional victim service needs, as well as subaward strategies to utilize the substantial increase in available VOCA funding. According to its applications, NY OVS works with an Advisory Council to identify underserved populations and gaps in services, discusses funding services through several interagency working groups, and attends regional crime victim coalition meetings to seek input from victim service providers. Based on these efforts, NY OVS used the increase in victim assistance funding to award contracts for new programs, in addition to funding historical programs.

² The VOCA Guidelines state these previously underserved victims of violent crimes may include, but are not limited to, victims of federal crimes; survivors of homicide victims; or victims of physical assault, robbery, gang violence, hate and bias crimes, economic exploitation and fraud, and elder abuse.

Utilization of VOCA Funds

Based on our assessment of NY OVS's use of VOCA funding for 2018 and 2019, we found a notable amount of unspent victim assistance funding. As shown in Table 2, NY OVS would have spent 62 percent of its 2019 grant had the grant award period not been extended an additional year in August 2022. In addition, NY OVS underspent each of its awards since 2015 when—as previously discussed—the CVF cap was raised. Although unspent funds are returned to the CVF for use in future awards, we are concerned that funds awarded to NY OVS may not be used to the greatest capacity to serve victims and survivors in the state of New York.

Table 2

**NY OVS Victim Assistance Grant Utilization as of September 2022
Fiscal Years 2015 to 2020**

| Fiscal Year | Award End Date | Award Amount | Total Spent | Percent of Awarded Funds Spent |
|-------------------|----------------|---------------|---------------|--------------------------------|
| 2015 | 9/30/2018 | \$118,676,064 | \$103,110,828 | 87% |
| 2016 | 9/30/2019 | \$133,904,016 | \$54,903,980 | 41% |
| 2017 | 9/30/2020 | \$110,391,054 | \$78,839,340 | 71% |
| 2018 ^a | 9/30/2022 | \$199,383,453 | \$185,666,218 | 93% |
| 2019 ^a | 9/30/2023 | \$132,000,250 | \$82,404,330 | 62% |
| 2020 | 9/30/2023 | \$96,706,562 | \$0 | 0% |

^a The 2018 and 2019 award end dates were extended by 1 year to 2022 and 2023, respectively.

Note: Data for 2015-2017 and 2020 are provided for comparison purposes only.

Source: OIG analysis of JustGrants records

NY OVS officials explained that there were numerous factors that impacted NY OVS's and other SAAs' ability to plan the expenditures of victim assistance grants, including a significant increase in funding beginning in FY 2015 and subrecipients not spending their entire award amounts. NY OVS officials also informed us that fluctuations in VOCA funding presented a challenge to maintaining consistent funding levels for its subrecipients.

Based on our discussions with officials and review of NY OVS's allocation plan, we determined that for each victim assistance award, NY OVS updates its spending plan for each of its award programs. However, it did not reconcile its allocation plan to actual expenditures or account for unexpected changes to its awards, including additional time to spend its 2018 and 2019 grants as a result of grant award period extensions.³

³ In July 2021, Congress enacted the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, Pub. L. No. 117-27, § 2(a)(2), 135 Stat. 301 (VOCA Fix Act), which authorized grant extensions to recipients of the victim assistance grant program.

Between July 2020 and May 2022, NY OVS received technical assistance from OVC's SAA Support Team, which provides support to SAAs in the management of their fiscal and administrative efforts. To address what it found to be high rates of unspent funding by subrecipients, the OVC SAA Support Team recommended that NY OVS "...create a stronger monitoring system to determine subrecipients' spending and re-allocate unused funds or release new solicitations." According to NY OVS officials, they are actively working on ways to improve the allocation and tracking of VOCA funds to improve utilization.

We believe that NY OVS should enhance its allocation planning efforts to incorporate unspent funds and award extensions to reduce the impact these changes can have on its utilization of VOCA funds. Therefore, we recommend OJP ensure NY OVS enhances and documents its policies and procedures for allocating and tracking its VOCA victim assistance grant funds to help ensure appropriate utilization of available funding.

Subaward Selection Process

To assess how NY OVS granted its subawards, we assessed the process that it took to inform, evaluate, and select subrecipients for VOCA funding. According to officials and our review of program materials, we determined NY OVS solicited grant award applications through its website and outreach to its victim service provider network. NY OVS funding opportunities are referred to as Request for Applications (RFAs) and were provided using several multi-year cycles, with its 3-year cycle and one 2-year optional cycle being the most common for the projects funded by its 2018 and 2019 grants. All applications were processed in two phases. In the initial phase, applicants were evaluated to determine if they met the state's vendor responsibility requirements and NY OVS's RFA requirements. Applicants were then evaluated and scored by NY OVS according to criteria provided in the RFA, and the scores were used to determine the amount of each grant award. Additionally, NY OVS officials explained and provided records demonstrating that it awarded funding to all applicants that met basic requirements established by the state and VOCA Guidelines. Therefore, we did not identify any issues with NY OVS's subaward selection process used for its 2018 and 2019 grants.

Subaward Requirements

SAAs must adequately communicate VOCA requirements to their subrecipients. We assessed NY OVS's subaward solicitations and award packages to determine how it communicated subaward requirements and conveyed the VOCA-specific requirements. We determined NY OVS communicated program requirements through its website, in award documents, and throughout its grant award program periods. As a result, we did not identify any issues with NY OVS's subrecipient agreements.

Priority Areas Funding Requirement

The VOCA Guidelines require that NY OVS award a minimum of 10 percent of the total grant funds to programs that serve victims in each of the four following categories: (1) child abuse, (2) domestic abuse, (3) sexual assault, and (4) previously underserved. The VOCA Guidelines give each SAA the latitude for

determining the method for identifying "previously underserved" crime victims.⁴ For projects funded by the grants we audited, NY OVS defined underserved broadly, in accordance with the VOCA Guidelines.⁵

We examined NY OVS's allocation methodology to assess how it intended to meet the program's priority area distribution requirement, described above. We found that NY OVS awarded funding to its subrecipients combining VOCA funding from multiple years, and that its allocation plan was based on total program funds distributed using the multi-year funds. In allocating the funds in this manner, we found that NY OVS records did not readily demonstrate that it would fulfill the priority categories for each of its annual VOCA victim assistance grants. Based on the documentation provided at the time of our audit, NY OVS could only demonstrate that the totality of the multi-year program would fulfill the priority areas. NY OVS assigned each project to one or more priority category for its multi-year grant program, but those assignments did not clearly identify which annual victim assistance grant a project's reimbursements would be charged. During our fieldwork, we attempted to determine whether the plan could be used to trace funds for the 2018 grant to the priority area categories. However, the accounting system did not include detailed information needed to pair the allocation for grants awarded to other state agencies and departments.

As a result of the issues identified, we recommend OJP ensure NY OVS enhances its grant administration policies and procedures to ensure adequate documentation is maintained to substantiate it fulfilled the priority areas funding requirement.

Written Policies and Procedures

NY OVS's written policies and procedures for administering its victim assistance program were a collection of separate documents that included standard forms, reports, checklists, and guidance for staff to use when conducting desk audits and site visits. We also identified training materials and interim guidance, issued by NY OVS management, in response to new VOCA requirements. NY OVS officials provided a copy of its draft Grants Unit Policies and Procedures manual that was designed to consolidate existing policies and updated to include policies and procedures that were not previously documented. However, the manual was not completed or distributed to staff at the time of our audit. Therefore, we recommend that OJP ensure NY OVS implements and distributes to its staff its Grants Unit Policies and Procedures manual. Additionally,

⁴ Methods for identifying "previously underserved" victims may include public hearings, needs assessments, task forces, and meetings with statewide victim services agencies.

⁵ For New York, underserved victims include homicide victims, victims of assault, robbery, gang violence, hate or bias crimes, victims of driving under the influence or driving while intoxicated, human trafficking, elder abuse, adult survivors of child abuse, victims of arson, bullying, burglary, identity theft/fraud/financial crime, kidnapping, vehicular victimization, stalking/harassment, teen dating victimization and victims of other violent crime. NY OVS also considers underserved populations to include persons that are elderly, disabled, deaf or hard of hearing, homeless, immigrants, refugees, asylum seekers, veterans, non-English speakers, or a member of the lesbian, gay, bisexual, transgender, or questioning community.

we identified other deficiencies related to OVS's policies and procedures and determined further enhancements are needed, as discussed in the [Monitoring of Subrecipients](#) section of this report.⁶

Monitoring of Subrecipients

According to the DOJ Grants Financial Guide, the purpose of subrecipient monitoring is to ensure that subrecipients: (1) use grant funds for authorized purposes; (2) comply with the federal program and grant requirements, laws, and regulations; and (3) achieve subaward performance goals. As the primary grant recipient, NY OVS must develop policies and procedures to monitor subrecipients. To assess the adequacy of NY OVS's monitoring of its VOCA subrecipients, we interviewed personnel, reviewed monitoring procedures, and obtained records of interactions between NY OVS and its subrecipients.

According to NY OVS's policies and procedures, NY OVS's subrecipient monitoring occurs throughout the life of the award through its request for applications process, required award documents, required annual budgets, budget amendment request reviews, training, and technical assistance provided. NY OVS also monitors each subrecipient's compliance with financial and programmatic requirements through: (1) desk audits, (2) site visits, and (3) quarterly subrecipient payment reviews. In October 2021, NY OVS implemented a new plan for monitoring its subrecipients.⁷ Each year, NY OVS categorizes its subrecipients by risk level (low, medium, and high). Based on the assigned risk level, NY OVS determines the frequency of its site visits. This plan requires desk audits to be completed every 2 years for all its subrecipients and site visits conducted once every award period (or approximately every 3 years) for low-risk subrecipients, every 2 years for medium-risk subrecipients, and at least once every 2 years for high-risk and new subrecipients.⁸ Previously, NY OVS conducted desk audits and site visits every 2 years for all subrecipients. In addition, after implementing its risk-based monitoring plan in October 2021, NY OVS no longer required its low-risk subrecipients to submit any supporting documentation with quarterly payment requests, and medium-risk subrecipients were required to submit limited supporting documentation for non-personnel costs. The high-risk and new subrecipients were required to submit support for all expenditures.

In our overall assessment of subrecipient monitoring, we found: (1) NY OVS communicated the victim assistance grant requirements to its subrecipients in the subrecipient agreements, training materials, and guidance made available on its website and (2) NY OVS staff conducted desk audits and site visits throughout the scope of our audit. However, as detailed below, we determined that despite completing an increased number of monitoring activities and implementing a new, risk-based monitoring plan in October 2021, NY OVS's records did not clearly document that it completed its monitoring activities for its 2018 and 2019 grants as set by its monitoring schedule. In addition, NY OVS did not have adequate desk audits, site visits, and subrecipient payment review policies and procedures to ensure compliance with the DOJ Grants Financial Guide and Uniform Guidance. Additionally, we determined NY OVS did not ensure its Subgrant

⁶ In the [Conclusion and Recommendations](#) section of this report, we make one recommendation that consolidates the individual policy-related issues identified in the report.

⁷ This plan did not include New York State agencies and departments that received subawards.

⁸ According to NY OVS officials, it is required to conduct site visits of high-risk subrecipients "at least every 2 years." This language provides NY OVS the flexibility to visit more frequently than every 2 years when deemed necessary.

Award Report data was submitted timely and updated periodically and did not submit required subaward data in accordance with the Federal Funding Accountability and Transparency Act requirement.

Financial Monitoring

According to the VOCA Guidelines, SAAs are required to conduct regular desk monitoring and on-site monitoring of all subrecipients at least once every 2 years during the award period, unless a different frequency based on risk assessment is set out in the state monitoring plan. NY OVS conducted on-site monitoring of financial activity through desk audits. We reviewed the records NY OVS prepared to document its desk audits and determined NY OVS's records did not clearly document that it completed its desk audits activities according to its monitoring plans for the period between FYs 2018 and 2022, despite an increase in the number of desk audits in FYs 2021 and 2022. We discussed the issue with NY OVS officials and were told that the records did not capture the extent of its actual monitoring activities and that NY OVS was developing a new monitoring plan and tracking sheet for its new subaward cycle that commenced on October 1, 2022. However, the redesigned plan was not completed or implemented at the time of our audit. Therefore, we recommend OJP ensure NY OVS implements its new monitoring plan and tracking tool to assist in the execution and documentation of required monitoring.

Following the implementation of its new risk-based monitoring plan in October 2021, we determined that desk audits will serve an even greater role in NY OVS's financial monitoring, as it is the only required monitoring activity during which NY OVS staff will review supporting documentation for low-risk subrecipients—or approximately 54 percent of subrecipients from the FY 2021 assessment—to ensure costs are allowable, supported, and in compliance with applicable requirements. As part of our assessment, we discussed desk audit procedures with staff and reviewed a completed desk audit. NY OVS documents its desk audits using a Desk Audit Program. Although the staff we interviewed described the desk audits process consistently and demonstrated that they used the program to document their reviews, we found that the program lacked adequate verification procedures necessary to ensure subrecipient personnel costs complied with the grant award requirements.

The Desk Audit Program requires NY OVS staff to reconcile personnel costs to payroll records and the general ledger; however, it does not require staff to reconcile these costs against timesheets that NY OVS required subrecipients to have their employees complete to allocate their time and effort by specific activities when applicable. According to NY OVS policies and procedures and our testing of a sample of 5 quarterly subrecipient payments, NY OVS reimbursed subrecipients for personnel costs based on estimated percentages of time each staff member would contribute to the NY OVS grant project. It did not evaluate or review documentation demonstrating that payment requests were based on actual time spent on the grant-funded project. According to Uniform Guidance, costs based on estimates must be assessed periodically to identify and adjust significant difference between the budgeted and actual amounts. We also determined that NY OVS did not reconcile budgeted and actual costs as part of its on-site monitoring or before annual budgets were closed out by NY OVS.

We also determined that although NY OVS's Desk Audit Program required monitoring staff to confirm fringe benefits were incurred by the subrecipient, this guidance was applicable to only those subrecipients that charged fringe benefits as actual costs and did not include procedures for verifying that subrecipients that had approved fringe benefit rates used those rates properly. The Desk Audit Program also required staff to review support for other direct non-personnel costs but lacked procedures for assessing the

reasonableness of shared costs that were allocated to the grant. We believe desk audit and subrecipient payment approval policies and procedures help ensure subrecipient costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance. Therefore, we recommend OJP ensure NY OVS enhances its Grants Unit Policies and Procedures manual for desk audit and subrecipient payment reviews to ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance.

Single Audit Requirements

Non-federal entities that receive federal financial assistance are required to comply with the *Single Audit Act of 1984*, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. Under the Uniform Guidance, such entities that expend \$750,000 or more in federal funds within the entity's fiscal year must have a "single audit" performed annually covering all federal funds expended that year.

According to the DOJ Grants Financial Guide, primary recipients are required to ensure subrecipients have single audits completed when required and, as appropriate, corrective actions on all audit findings have been implemented. We found that NY OVS did not verify that subrecipients had single audits when required or subrecipients with VOCA-related single audit findings implemented corrective action. During the audit, NY OVS informed us that it is drafting policies and procedures to ensure compliance with the single audit requirements. Therefore, we recommend that OJP ensure NY OVS enhances its Grants Unit Policies and Procedures manual to ensure subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings.

Performance Monitoring

NY OVS conducted on-site monitoring of performance through site visits. Based on our review of its records, we determined NY OVS did not clearly document that it completed site visits as required. We discussed this with NY OVS officials and as referenced earlier, we were told that the records do not capture the extent of its monitoring activities and it was designing a new monitoring plan and tracking sheet to be implemented for the new subaward cycle that started on October 1, 2022. As discussed in the [Financial Monitoring](#) section, this plan was not completed or implemented at the time of our audit, and we previously made a recommendation in this regard.

Annual Performance Reports

For the victim assistance grants, states must report the number of agencies funded, VOCA subawards, victims served, and victim services funded by these grants. Additionally, states must collect, maintain, and provide to the OVC data that measures the performance and effectiveness of activities funded by the award. Each SAA must annually report to the OVC on activity funded by any VOCA awards active during the federal fiscal year. The OVC requires states to submit performance data quarterly through PMT. States may provide subrecipients with direct access to the system to report quarterly data, but states must approve the data.

Based on the records we reviewed, NY OVS provided subrecipients with an excerpt of the PMT report and required them to complete a summary of service logs in line with the requested data from the PMT report. Subrecipients submitted the performance data to NY OVS staff who were responsible for reviewing the data

to ensure the numbers were reasonable based on their experience and familiarity with the project and funded services. NY OVS staff were also responsible for entering the data into PMT. NY OVS staff described to us how they reviewed supporting documentation and victim files during their site visits to verify the accuracy and support for a sample of metrics from the performance data subrecipients submitted for the quarterly period being reviewed. We reviewed NY OVS's subrecipient monitoring policies and procedures and found that NY OVS demonstrated it has training materials and general procedures for how staff are to review performance data at the time data is entered into the PMT system and during periodic site visits.

We verified that NY OVS submitted the most recently required annual performance report for federal FY 2021. However, in our review of records from four NY OVS site visits to determine if the records demonstrated NY OVS staff reviewed performance data, we found that NY OVS did not maintain records of the data its staff reviewed for two of the four subrecipients. We discussed this with NY OVS officials, who confirmed that records were not maintained. Therefore, we recommend OJP ensure NY OVS enhances its Grants Unit Policies and Procedures manual to ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate.

Subaward Reporting

States must submit a Subgrant Award Report (SAR) to the OVC via OJP's Performance Measurement Tool (PMT) for each subrecipient of the VOCA victim assistance funds within 90 days of awarding funds to subrecipients. Any changes or revisions to the awards that occur before the end of the project period must be made in the SAR within 30 days of the change taking effect. The SAR allows the OVC to collect basic information from states on subrecipients and the program activities to be implemented with VOCA funds. States are also required to report similar data separately, under the Federal Funding Accountability Transparency Act of 2006 (FFATA), for awards greater than \$25,000.

We examined NY OVS's SAR data and determined NY OVS did not report data timely and did not maintain adequate documentation necessary to ensure its SAR data was updated throughout the life of the subaward. We also determined NY OVS had not reported FFATA data recently for several victim assistance grants including its 2018 and 2019 grants.

During the audit, NY OVS officials provided a copy of its draft Grants Unit Policies and Procedures manual that was designed to consolidate and update its written policies and procedures. We reviewed this document and found that the new manual consolidated the standalone policies and procedures and included new policies and procedures that were not previously documented. The draft was not implemented by the conclusion of our audit and did not have adequate written policies and procedures to ensure SAR and FFATA data are complete and accurate. Therefore, we recommend OJP ensure NY OVS enhances its Grants Unit Policies and Procedures manual to ensure its SAR and FFATA data are complete and accurate.

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 NY OVS's financial management of the VOCA grants, we reviewed the process used to administer these funds by examining drawdown requests and financial reports. We also reviewed the single audit reports for the state of New York for FYs 2018

through 2021 and did not identify any findings or significant issues for NY OVS or the VOCA awards. We also interviewed NY OVS personnel who were responsible for financial aspects of the grants, reviewed NY OVS written policies and procedures, inspected award documents, and reviewed financial records.

As discussed below, in our overall assessment of grant financial management, we determined that NY OVS complied with the administrative expenditures, drawdowns, and financial reporting requirements.

Administrative Expenditures

SAA victim assistance expenses fall into two overarching categories: (1) payments to subrecipients—which constitute the vast majority of total expenses, and (2) administrative expenses—which are allowed to total up to 5 percent of each award. We reported on our work related to NY OVS’s review of subrecipient payment requests in the [Financial Monitoring](#) section of this report. The SAA may retain up to 5 percent of each grant to pay for administering its crime victim assistance program and for training. According to the VOCA Final Rule, such costs must derive from efforts to expand, enhance, or improve how the agency administers the state crime victim assistance program and to support activities and costs that impact the delivery and quality of services to crime victims throughout the state.

For the victim assistance grant program, we tested NY OVS’s compliance with the 5 percent limit on the administrative category of expenses, as shown in Table 3.

Table 3

Administrative Expenditures as of March 30, 2022

| Award Number | Total Award | State Administrative Expenditures | Administrative Percentage |
|-----------------|---------------|-----------------------------------|---------------------------|
| 2018-V2-GX-0047 | \$199,383,453 | \$2,985,105 | 1.5% |
| 2019-V2-GX-0040 | \$132,000,250 | \$1,478,220 | 1.1% |

Source: OIG Analysis of NY OVS records

We found that NY OVS complied with the 5-percent administrative expenses allowance and had adequate procedures in place to ensure administrative costs did not exceed the threshold prior to the end of the grant award period. We did not test a sample of expenditures because the type and amount of costs charged to the VOCA awards was not significant to the scope of the audit, and, at the time of our audit, NY OVS had open recommendations for administrative expenditures from our March 2022 audit of NY OVS’s VOCA victim compensation program.⁹

⁹ U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the New York Office of Victim Services](https://oig.justice.gov/reports/audit-office-justice-programs-victim-compensation-grants-awarded-new-york-office-victims), Albany, New York, Audit Report 22-053 (March 2022), <https://oig.justice.gov/reports/audit-office-justice-programs-victim-compensation-grants-awarded-new-york-office-victims>.

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 NY OVS managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in NY OVS's accounting system and accompanying financial records.

For the VOCA victim assistance awards, NY OVS requested funding on a reimbursement basis each quarter. During this audit, 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, program income, and unliquidated obligations incurred for the reporting period on each quarterly financial report as well as cumulative expenditures. To determine whether NY OVS submitted accurate Federal Financial Reports (FFR), we compared all of the FFRs for each grant to NY OVS's accounting records. We determined that quarterly and cumulative expenditures for the reports matched the accounting records.

Matching Requirement

VOCA Guidelines require that subrecipients match 20 percent of the project cost. Match contributions must come from non-federal sources and can be either cash or an in-kind match.¹⁰ The SAA has primary responsibility for ensuring subrecipient compliance with the match requirements.

In May 2020, NY OVS approved match waivers for all subrecipients in response to the COVID-19 global health pandemic.¹¹ This waiver was approved prior to NY OVS awarding and its subrecipients expending any funds under the audited 2018 and 2019 grants. As a result, we did not assess NY OVS's procedures for ensuring subrecipients meet their match obligations.

¹⁰ In-kind matches may include donations of expendable equipment, office supplies, workshop or classroom materials, workspace, or the value of time contributed by those providing integral services to the funded project.

¹¹ In July 2021, Congress enacted the VOCA Fix Act, Pub. L. No. 117-27, § 3(b), 135 Stat. 302, which requires states to waive subgrantee match requirements during national emergencies or pandemics. States are required to have written policies and procedures for approving match waivers.

Conclusion and Recommendations

Our audit concluded that NY OVS used its 2018 and 2019 grants to distribute CVF funding to organizations that provided direct services to crime survivors within New York. We also found that NY OVS implemented adequate processes for selecting subrecipients and adequately communicated the grant award requirements to subrecipients. However, we determined that NY OVS did not incorporate award funds unspent by subrecipients into its future award decisions, its monitoring policies and procedures could be enhanced to ensure subrecipient expenditures comply with award requirements, did not submit required subgrant award data timely, and did not clearly document that it completed its monitoring activities. Several of the deficiencies we identified are related to policies and procedures, and we make one recommendation that consolidates the individual policy-related issues identified in the report. In total, we provide four recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure NY OVS enhances and documents its policies and procedures for allocating and tracking its VOCA victim assistance grant funds to help ensure appropriate utilization of available funding.
2. Ensure NY OVS enhances its grant administration policies and procedures to ensure adequate documentation is maintained to substantiate it fulfilled the priority areas funding requirement.
3. Ensure NY OVS implements and distributes to its staff its Grants Unit Policies and Procedures manual with enhancements to ensure: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) SAR and FFATA data are complete and accurate.
4. Ensure NY OVS implements its new monitoring plan and tracking tool to assist in the execution and documentation of required monitoring.

APPENDIX 1: Objective, Scope, and Methodology

Objective

The objective of the audit was to evaluate how the New York Office of Victim Services (NY OVS) designed and implemented its crime victim assistance 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, (3) grant financial management, and (4) monitoring of subrecipients.

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 assistance formula grants 2018-V2-GX-0047 and 2019-V2-GX-0040 from the Crime Victims Fund awarded to NY OVS. The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) awarded these grants totaling \$331,383,703 to NY OVS, which serves as the State Administering Agency. Our audit concentrated on, but was not limited to, the period of October 2017 through November 2022. As of November 2022, the NY OVS had drawn down a total of \$268,070,547 from the two audited grants.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of the NY OVS's activities related to the audited grants, which included conducting interviews with financial staff, examining policies and procedures, and reviewing grant documentation and financial records. We performed sample-based audit testing for subrecipient monitoring, 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 victim assistance program guidelines; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); the DOJ Grants Financial Guide; and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from JustGrants and Performance Measurement Tool systems, as well as NY OVS 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 objectives. We did not evaluate the internal controls of NY OVS to provide assurance on its internal control structure as

a whole. NY OVS 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 NY OVS's internal control structure as a whole, we offer this statement solely for the information and use of NY OVS and OJP.¹²

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 NY OVS's 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 that we found significant to the objective of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

¹² This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: The New York Office of Victim Services Response to the Draft Audit Report



Office of Victim Services

KATHY HOCHUL
Governor

ELIZABETH CRONIN, Esq.
Director

Thomas O. Puerzer
Regional Audit Manager
Thomas.O.Puerzer@usdoj.gov

4/21/2023

Re: Audit of the Office of Justice Programs (OJP) Victim Assistance Grants Awarded to the New York Office of Victim Services, Albany, New York.

Regional Audit Manager Puerzer:

Thank you for the opportunity to review this draft audit report of the New York State Office of Victim Services' (OVS) Victims of Crime Act (VOCA) Victim Assistance Awards for fiscal years 2018 and 2019 from the Crime Victims Fund prepared by the Office of the Inspector General (OIG).

OVS appreciates how accommodating the auditors were with the challenges of preparing for an audit. The auditors were very considerate of the importance of the work that we do and worked with us to get the information that was needed with minimal disruption to OVS' operations.

OIG has requested New York's comments on the report and an official response within 21 days, therefore OVS is submitting this response. Additionally, it has been requested that OVS state whether we agree, or disagree, with each of the recommendations.

In the Draft Audit Report, the OIG found that OVS utilized and managed Victims of Crime Act (VOCA) funding to support its victim assistance program. This audit did not identify significant concerns regarding OVS's selection of subaward recipients or communication of grant requirements to subrecipients. However, the OIG did identify "deficiencies and areas of improvement" related to the utilization of awarded VOCA funds, recordkeeping for priority area funding requirement, written policies, and procedures, subgrant award data reporting, and subrecipient monitoring.



Office of Victim Services

KATHY HOCHUL
Governor

ELIZABETH CRONIN, Esq.
Director

Recommendation Number 1

Ensure NY OVS enhances and documents its policies and procedures for allocating and tracking its VOCA victim assistance grant funds to help ensure appropriate utilization of available funding.

OVS agrees with this recommendation.

Much of this work has already been completed and was demonstrated to OIG. OVS engaged with the OVC Training and Technical Assistance Center (TTAC) to develop a multi-year plan that would result in OVS utilizing their Victim Assistance awards earlier during the allowable period to ensure the ability to determine what amounts that were allocated but not spent are available for reallocation before the expiration of the award. This multi-year VOCA Plan was presented, and provided, to the auditors. The only piece of this remaining to be completed was the documentation of the process in the OVS Draft Grants Manual.

Recommendation Number 2

Ensure NY OVS enhances its grant administration policies and procedures to ensure adequate documentation is maintained to substantiate it fulfilled the priority areas funding requirement.

OVS disagrees with this recommendation.

During the course of this audit, OVS provided evidence that every priority category allocation had exceeded the ten percent requirement provided for in *28 CFR Part 94 Subpart B -- VOCA Victim Assistance Program § 94.104 Allocation of sub-awards*. This relevant portion of the CFR makes clear that State Administering Agencies "... shall allocate a minimum of ten percent of each year's VOCA grant to each of the three priority categories of victims specified in the certification requirement in VOCA, at 34 U.S.C. 20103(a)(2)(A), which, as of July 8, 2016, includes victims of (1) Sexual assault, (2) Spousal abuse and (3) Child abuse." The information was contained in the NYS VOCA Plan excel document that represents an aggregation of the individual subrecipient allocations made by NYS OVS and which contains a tab illustrating the allocation of priority categories for each individual award year. Information was provided at this point that illustrated exactly what payments to each subrecipient for specific periods came from the 2018 award, allowing compliance with allocation requirement to be ascertained.

For each of the VOCA awards in question OVS demonstrated that over ten percent of the amounts allocated by OVS via "a documented methodology for selecting all competitive



Office of Victim Services

KATHY HOCHUL
Governor

ELIZABETH CRONIN, Esq.
Director

and non-competitive sub-recipients," pursuant to § 94.104(e)(1), met the aforementioned VOCA requirements. There is no requirement that State Administering Agencies “periodically reconcile actual expenditures charged to each grant to verify that project costs met priority categories.” OVS’ competitive procurement process ensures that applicants provide information as to how much of the application supports activities and the related capacity to service victims of crime within the priority category framework.

It should be noted that in OVS’ 2019 and [2022 competitive solicitations](#), the methods by which the majority of the VOCA Victim Assistance Awards were allocated, provides a process by which OVS can ensure, and did ensure, that the priority category allocation requirements are met. This process involves an analysis of the initial scoring and resulting awards to determine whether or not weighted scoring needs to be applied.

Reconciling actual expenditures charged to each grant to verify that project costs met the priority categories is not required and would not add value to OVS’ processes or to direct service provision. Additionally, the OIG’s position is inconsistent with the realities of providing, and supporting, the general purpose of the Victim Assistance grants, i.e., to provide direct services to victims of crime. VOCA funds support capacity in a state for the provision of services. Applicants under OVS’ competitive solicitations identify the needs they anticipate in their given area, but also react to the realities in their communities during their contract period. They estimate and quantify, to the best of their abilities, and justify via the application process, the amount of their effort that is expected to be attributable to the priority categories, and this factors into the methodology which OVS uses in determining its awards. They serve whatever victims of crime present for services, or at a bare minimum, refer to other specialized programs for services. In a climate where VOCA award funds have been diminishing significantly, it does not seem prudent or appropriate to undertake actions that are neither required, nor necessary. OVS has proven that it meets or exceeds all federal requirements in this regard and no further action is required or necessary as it relates to OVS’ efforts to meet the priority allocation requirements.

Since the issuance of the draft report, NYS OVS has provided additional information substantiating the full compliance with such requirements to OJP and the OIG. NYS’ method of procurement and subrecipient monitoring improvement recommendations noted elsewhere in the audit report will further ensure that NYS manages its allocation process through the reimbursement and expenditure process with fidelity to the priority category allocations assigned to each individual subrecipient award. Based on this additional information, OVS requests the closure of this recommendation.



Office of Victim Services

KATHY HOCHUL
Governor

ELIZABETH CRONIN, Esq.
Director

Recommendation Number 3

Ensure NY OVS implements and distributes to its staff its Grants Unit Policies and Procedures manual with enhancements to ensure: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) SAR and FFATA data are complete and accurate.

OVS agrees with this recommendation.

Prior to the OIG audit, OVS was already working on this. OVS will continue to update our policies and procedures to come into full compliance with OVC VOCA Victim Assistance requirements. OVS has made significant progress towards all the enumerated items in recommendation number 3.

Recommendation Number 4

Ensure NY OVS implements its new monitoring plan and tracking tool to assist in the execution and documentation of required monitoring.

OVS agrees with this recommendation.

This monitoring plan and tracking tool was implemented before the conclusion of the audit. OVS will provide information to OJP as required to demonstrate our compliance with this recommendation.

Sincerely,

Elizabeth Cronin
Director

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

Washington, D.C. 20531

April 27, 2023

MEMORANDUM TO: Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General

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

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Victim Assistance Grants Awarded to New York Office of Victim Services, Albany, New York*

This memorandum is in response to your correspondence, dated February 15, 2023, transmitting the subject draft audit report for the New York Office of Victim Services (NY OVS). We consider the subject report resolved and request written acceptance of this action from your office.

The draft audit report contains **four** 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 NY OVS enhances and documents its policies and procedures for allocating and tracking its VOCA victim assistance grant funds to help ensure appropriate utilization of available funding.**

OJP agrees with the recommendation. In its response, dated April 21, 2023, the NY OVS stated that it had completed most of the work for allocating and tracking its Victims of Crime Act (VOCA) victim assistance grant funds, except documenting the process in its grants manual. In addition, the NY OVS stated that it is currently working on a multi-year plan that will allow it to utilize their Victim Assistance awards earlier during the allowable period, to determine what amounts were allocated but not spent, and are available for reallocation prior to the expiration of the award.

Accordingly, we will coordinate with the NY OVS to obtain a copy of written policies and procedures, developed and implemented, to ensure that its VOCA victim assistance grant funds are properly allocated and tracked to help ensure appropriate utilization of available funding.

2. **We recommend that OJP ensure NY OVS enhances its grant administration policies and procedures to ensure adequate documentation is maintained to substantiate it fulfilled the priority areas funding requirement.**

OJP agrees with the recommendation. In its response, dated April 21, 2023, the NY OVS disagreed with this recommendation, and stated that, during the course of the audit, it had provided evidence that every priority category allocation had exceeded the 10 percent requirements, as provided for under the VOCA Victim Assistance Program. The NY OVS further stated that there is no requirement that State Administering Agencies “periodically reconcile actual expenditures charged to each grant to verify that project costs met priority categories.” In addition, the NY OVS stated that in its 2019 and 2022 competitive solicitations, the methods by which a majority of the VOCA Victim Assistance Awards were allocated, provides a process by which the NY OVS ensures that the priority category allocation requirements are met, which involves an analysis of the initial scoring and resulting awards to determine whether weighted scoring needs to be applied.

Although the NY OVS disagreed with this recommendation, after issuance of the draft audit report, it provided supplemental aggregated data that demonstrates how it fulfilled meeting the priority category allocation areas, which clearly substantiates full compliance with the requirements (see Attachment). The NY OVS also stated that it manages its allocation process through the reimbursement and expenditure process with fidelity, to ensure the priority category allocations assigned to each individual subrecipient award are met. Additionally, the NY OVS stated that reconciling actual expenditures charged to each grant to verify that project costs met the priority categories is not required; and would not add value to its processes, or to direct service provision.

Furthermore, we agree that NY OVS has proven that its process meets or exceeds all Federal requirements in this regard, and that no further action is required or necessary, as it relates to the NY OVS’ efforts to meet the priority allocation requirements. Accordingly, the Office of Justice Programs requests closure of this recommendation.

3. **We recommend that OJP ensure NY OVS implements and distributes to its staff its Grants Unit Policies and Procedures manual with enhancements to ensure: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) SAR and FFATA data are complete and accurate.**

OJP agrees with the recommendation. In its response, dated April 21, 2023, the NY OVS stated that it is currently working on updating its policies and procedures to comply with the VOCA Victim Assistance requirements.

Accordingly, we will coordinate with the NY OVS to obtain a copy of its updated Grants Unit Policies and Procedures Manual, to ensure that it includes procedures that require: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the Department of Justice (DOJ) Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed, when required, and corrective action is timely taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) Subgrant Award Report (SAR) and Federal Funding Accountability and Transparency Act (FFATA) data are complete and accurate.

4. We recommend that OJP ensure NY OVS implements its new monitoring plan and tracking tool to assist in the execution and documentation of required monitoring.

OJP agrees with the recommendation. In its response, dated April 21, 2023, the NY OVS stated that the monitoring plan and tracking tool was implemented before the conclusion of the audit, and will be provided to OJP.

Accordingly, we will coordinate with the NY OVS to obtain a copy of its new monitoring plan and tracking tool, to assist in the execution and documentation of required monitoring.

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 or (202) 598-0529.

cc: Maureen A. Henneberg
Deputy Assistant Attorney General
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LeToya A. Johnson
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Office of the Inspector General

OJP Executive Secretariat
Control Number OCOM000162

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

The Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP) and the New York Office of Victim Services (NY OVS). The NY OVS'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 agreed with our recommendations and requested closure of one recommendation. As a result, the status of the audit report is resolved. NY OVS agreed with three recommendations and disagreed with one recommendation. However, in its response, NY OVS also provided corrective actions for the recommendation it disagreed with and OJP noted the actions taken and requested closure. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

Recommendations for OJP:

- 1. Ensure NY OVS enhances and documents its policies and procedures for allocating and tracking its VOCA victim assistance grant funds to help ensure appropriate utilization of available funding.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it agrees with the recommendation. OJP stated that it will work with NY OVS to obtain a copy of written policies and procedures, developed and implemented, to ensure that its VOCA victim assistance grant funds are properly allocated and tracked to help ensure appropriate utilization of available funding. As a result, this recommendation is resolved.

NY OVS agreed with our recommendation and stated in its response that much of the work has already been completed and was demonstrated to OIG. NY OVS stated that it engaged with the OVC Training and Technical Assistance Center (TTAC) and its consultant to develop a multi-year plan, which would result in NY OVS utilizing their victim assistance awards earlier during the allowable period and the reallocation of unspent amounts before the expiration of the award. NY OVS also stated that this multi-year plan was presented and provided to the auditors, and the only remaining action to be completed is the documentation of the process in its OVS Draft Grants Unit Policies and Procedures manual.

Although NY OVS provided a copy of its multi-year plan during the audit, we found that the plan lacked sufficient detail regarding the reallocation of unspent funds before the end of a grant award period. We discussed this issue with officials during our audit, and we were not provided any updated information to address the limitations we identified in its multi-year plan.

This recommendation can be closed when we receive documentation demonstrating NY OVS's multi-year plan was enhanced to include the amount of unspent subawards to be reallocated, and the process is documented in its policies and procedures.

2. Ensure NY OVS enhances its grant administration policies and procedures to ensure adequate documentation is maintained to substantiate it fulfilled the priority areas funding requirement.

Closed. OJP agreed with and requested closure of this recommendation. OJP stated in its response that NY OVS provided supplemental aggregated data that demonstrated how it fulfilled the priority areas and that no further action is required, as NY OVS demonstrated its process meets or exceeds all Federal requirements in this regard.

NY OVS disagreed with our recommendation and stated in its response that it provided evidence that every priority category allocation had exceeded the 10 percent requirement. NY OVS stated that for each VOCA award in question, it demonstrated that greater than 10 percent of the amounts allocated by OVS were allocated via a documented methodology for selecting all competitive and non-competitive subrecipients in accordance with section 94.104(e)(1) of the VOCA Guidelines. NY OVS also stated that SAAs are not required to periodically reconcile actual expenditures charged to each grant to verify that project costs met the priority categories and that doing so would not add value to OVS's processes or to direct service provision.

NY OVS stated in its response that SAAs are not required to reconcile actual expenditures to verify that project costs met the priority areas. According to the VOCA Guidelines, each SAA shall allocate 10 percent of each year's VOCA funding to four priority areas. Based on the documentation provided at the time of our audit, NY OVS assigned each project to one or more priority category for its multi-year grant program, but those assignments did not clearly identify which annual victim assistance grant project reimbursements would be charged to fulfill the priority area categories. We found that NY OVS's records did not demonstrate that its subawards for each year aligned with the priority area designations identified at the beginning of its project award periods. Requiring states to demonstrate how funding will be allocated provides accountability and assurance that 10 percent of each annual grant is allocated to serve victims of crime for each priority area, which is critical when annual award amounts can vary significantly from year-to-year. However, as part of its response to our draft audit report, NY OVS provided new documentation that included a reconciliation of the total amount of subrecipient payments charged to its federal FY 2018 victim assistance grant to the priority area categories.

Based on this documentation, in addition to what was provided during the audit, as well as our analysis, we determined that NY OVS demonstrated how it fulfilled the priority area requirements for its 2018 grant, and that this can be performed for other awards. Therefore, we consider this recommendation closed.

- 3. Ensure NY OVS implements and distributes to its staff its Grants Unit Policies and Procedures manual with enhancements to ensure: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) SAR and FFATA data are complete and accurate.**

Resolved. OJP agreed with our recommendation. OJP stated that it will coordinate with NY OVS to obtain a copy of its updated Grants Unit Policies and Procedures manual to ensure that it includes procedures that require: (1) desk audits and subrecipient payment reviews that ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) Subgrant Award Report (SAR) and Federal Funding Accountability and Transparency Act (FFATA) data are complete and accurate.

NY OVS agreed with our recommendation and stated in its response that it has already begun working to update its policies and procedures to come into full compliance with the OVC VOCA Victim Assistance requirements. It also stated that it has made significant progress towards all the enumerated items in Recommendation 3.

This recommendation can be closed when we receive documentation demonstrating NY OVS implemented and distributed, to its staff, its Grants Unit Policies and Procedures manual with enhancements to ensure: (1) desk audits and subrecipient payment reviews ensure costs are allowable, supported, allocable, and comply with the DOJ Grants Financial Guide and Uniform Guidance; (2) subrecipient single audits are completed when required and corrective action is taken on associated VOCA findings; (3) site visit policies and procedures ensure subrecipient performance data verification procedures are documented and maintained to demonstrate performance data is complete and accurate; and (4) SAR and FFATA data are complete and accurate.

- 4. Ensure NY OVS implements its new monitoring plan and tracking tool to assist in the execution and documentation of required monitoring.**

Resolved. OJP agreed with our recommendation. OJP stated that it will coordinate with the NY OVS to obtain a copy of its new monitoring plan and tracking tool, to assist in the execution and documentation of required monitoring. As a result, this recommendation is resolved.

NY OVS agreed with our recommendation and stated in its response that its monitoring plan was implemented before the conclusion of the audit and OVS will provide information to OJP as required to demonstrate our compliance with this recommendation.

This recommendation can be closed when we receive NY OVS's new monitoring plan that demonstrates its plan for meeting its monitoring requirement and process for documenting completed monitoring visits.