



OFFICE OF THE INSPECTOR GENERAL

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(202) 514-3435 | oig.justice.gov

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DOJ OIG Releases Report on the Risks Associated with the Office of Justice Programs' Management of the Crime Victims Fund Grant Programs

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a report examining the risks associated with Office of Justice Programs' (OJP) management of the Crime Victims Fund (CVF). The CVF was created by the Victims of Crime Act of 1984 (VOCA) as a separate account funded entirely by federal criminal fees, forfeited bail bonds, penalties, gifts, donations, and special assessments collected by U.S. Attorneys' Offices, federal courts, and the Federal Bureau of Prisons. The CVF receives no tax dollars. The Office for Victims of Crime (OVC) within the OJP distributes CVF funds, which are used to support crime victims through DOJ programs and state and local victim services.

The DOJ Office of the Inspector General (OIG) found that OJP had sufficient control processes in place for the solicitation, selection, and awarding of CVF grants, and made progress to meet new congressional requirements for CVF grant recipients. These requirements included grant recipients' certification of their nonprofit status, grant recipients' establishment of plans to monitor subrecipients, and public availability of subrecipients' financial statements. However, the OIG also identified risk areas where OJP's management of the CVF-funded grant programs could be strengthened, such as OJP's monitoring efforts and lack of outcome-oriented performance measures.

The specific risks in today's report include:

- **OVC's historical onsite monitoring of State Administering Agencies (SAAs) was not done as frequently as required, which increases the risk of mismanagement.** OVC allocates the majority of CVF funds to two programs that make grant awards to SAAs in each U.S. state and territory. SAAs manage most of the CVF grant funds and also oversee thousands of grant subrecipients. As a result, OVC's regular onsite monitoring of SAAs is critical to mitigating the risk of mismanagement by both SAAs and their subrecipients. The OIG found that OVC was not consistently performing onsite reviews of these SAAs every 3 years, as required by the VOCA Victim Assistance Program Guidelines, and had not established a strategy to consistently review all SAAs with a consistent and reasonable frequency. Despite OVC's historical performance, the OIG noted that OVC's more recent onsite monitoring indicates that it is improving the timeliness of its reviews.

- **OJP staff’s understanding and performance of grant recipient monitoring procedures was lacking, increasing the risk that OJP could fail to identify deficiencies.** Specifically, some OJP program specialists and financial monitors did not fully understand grant monitoring procedures, and some OVC programmatic monitors lacked a full understanding of financial monitoring requirements. Further, OJP did not have sufficient procedures for completing some of the financial-related questions in the OJP monitoring checklists, and lacked on-going and standard training for new and experienced staff that would significantly contribute to improving skills, changing standards and practices, and providing cross training for both programmatic and financial operations. Also, OJP monitors did not routinely verify the accuracy of payouts and revenues. These risks increase the possibility that OJP could fail to identify deficiencies in its efforts to manage the CVF, including in areas such as financial management and performance reporting.
- **OJP’s performance measures need improvement.** OJP developed a strategic goal and objectives for CVF-funded programs that are consistent with the Department’s strategic plan. However, OJP’s strategic goal and objectives only addressed two of the seven CVF-funded activities; were not outcome-oriented; and did not express in a quantitative and measureable form the indicators, targets, and timeframes for assessing the impact of the CVF program. Additionally, the strategic goal and objectives were not reported as part of OJP’s recent budgets as required by the Office of Management and Budget Circular A-11 and the *Government Performance and Results Modernization Act*. The OIG determined that OJP also needs a more effective system to collect, analyze, and report performance data for all its CVF activities.

Today’s report makes 11 recommendations to OJP to address the risk areas identified in OJP’s management of the CVF. OJP agreed with all of the recommendations.

Report: Today’s report is available on the OIG’s website under “Recent Reports” and at the following link: <https://oig.justice.gov/reports/2017/a1736.pdf>.

Multimedia: To accompany today’s report, the OIG has released a 3-minute video featuring the Inspector General and a 7-minute podcast featuring a member of the Audit Division discussing the report’s findings. The video, podcast, and downloadable transcripts of each are available at the following link: <https://oig.justice.gov/multimedia/>.