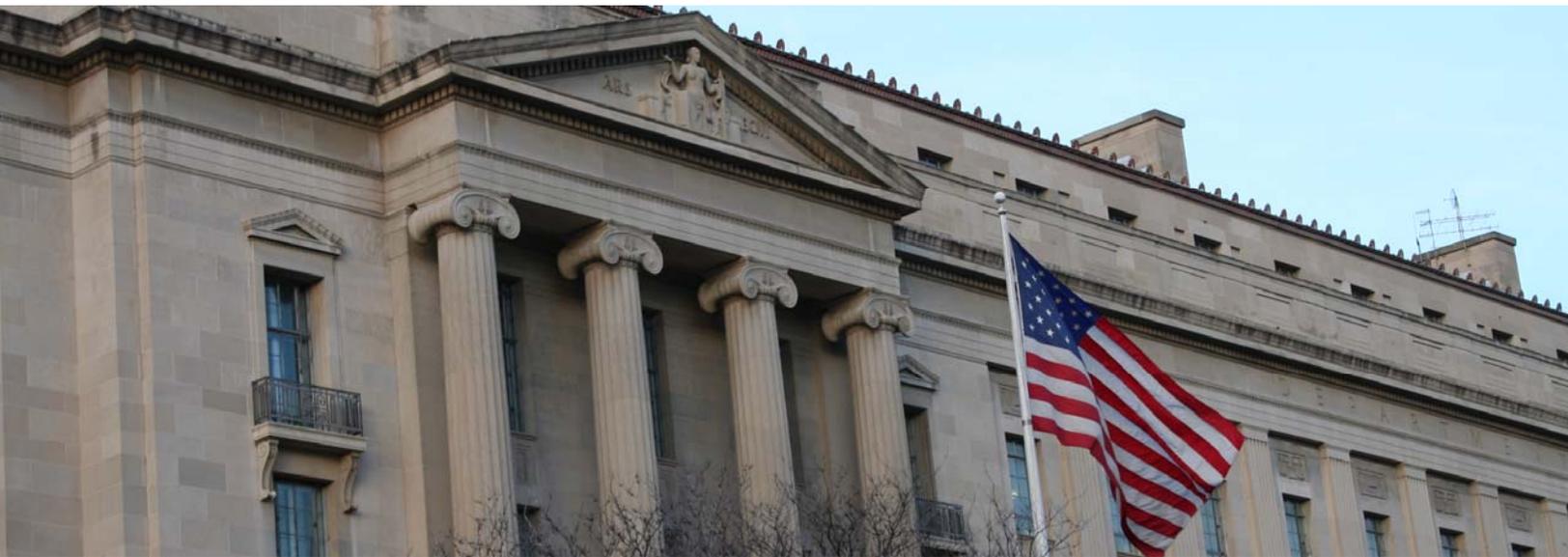




**Office of the Inspector General  
U.S. Department of Justice**

**OVERSIGHT ★ INTEGRITY ★ GUIDANCE**



**Audit of the Office of Justice  
Programs Office for Victims of  
Crime Victim Assistance Formula  
Grants Awarded to the Connecticut  
Judicial Branch,  
Hartford, Connecticut**



# Executive Summary

*Audit of the Office of Justice Programs Office for Victims of Crime Victim Assistance Formula Grants Awarded to the Connecticut Judicial Branch, Hartford, Connecticut*

## Objectives

The objective of this U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) audit was to evaluate how the Connecticut Judicial Branch (CJB) designed and implemented its crime victim assistance program. To accomplish this objective, we assessed performance in the following areas of grant management: grant program planning and execution, program requirements and performance reporting, grant financial management, and monitoring of subrecipients.

## Results in Brief

We found evidence that CJB used its victim assistance grant funding to enhance services for crime victims. We found CJB adequately planned and executed the *Victims of Crime Act* (VOCA) program, adhered to program and performance reporting requirements, and had adequate grant financial management and subrecipient monitoring.

## Recommendations

The report does not contain any recommendations due to CJB's compliance with essential grant requirements.

## Audit Results

The OIG completed an audit of three VOCA victim assistance formula grants awarded by the Office of Justice Programs, Office for Victims of Crime (OVC) to CJB. The OVC awarded these formula grants, totaling \$52,039,516 from fiscal years (FY) 2014 to 2016, to enhance crime victim services throughout Connecticut. As of May 2018, CJB had drawn down a cumulative amount of \$30,590,001 for all of the grants we reviewed.

## Program Goals and Accomplishments

We found evidence that CJB used its VOCA victim assistance grant funding to enhance services for crime victims. We determined that CJB identified and planned to meet additional victim service needs with its increased FY 2015 funding. We also did not identify any issues with its process to select subrecipients, and found that CJB adequately communicated to its subrecipients applicable award requirements.

## Grant Financial Management

We determined CJB's grant financial management was adequate, administrative and subrecipient expenditures complied with the DOJ Financial Guide and VOCA Guidelines, drawdowns were supported by expenditures and conducted in compliance with the DOJ Financial Guide, subrecipients were able to support their matching costs, and Federal Financial Reports were accurate.

## Monitoring of Subrecipients

We determined that CJB's subrecipients were adequately monitored. The CJB conducted financial and programmatic desk monitoring, performed risk assessments for each subrecipient and conducted site visits of each subrecipient every 2 years, during which programmatic documentation, grant expenditures, and matching cost transactions were tested.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
OFFICE FOR VICTIMS OF CRIME  
VICTIM ASSISTANCE FORMULA GRANTS  
AWARDED TO THE CONNECTICUT JUDICIAL BRANCH,  
HARTFORD, CONNECTICUT**

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**INTRODUCTION**

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three grants awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC) to the Connecticut Judicial Branch (CJB), based in Hartford, Connecticut. The OVC awards victim assistance grants to state administering agencies under the *Victims of Crime Act* (VOCA).<sup>1</sup> As the Connecticut state administering agency (SAA) for this program, CJB received these grants according to a population-based formula. From fiscal years (FY) 2014 to 2016, CJB had received three VOCA victim assistance grants totaling \$52,039,516, shown in Table 1.

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

<b>Award Number</b>	<b>Award Date</b>	<b>Project Period Start Date</b>	<b>Project Period End Date</b>	<b>Award Amount</b>
2014-VA-GX-0003	9/10/2014	10/1/2013	9/30/2017	\$5,315,321
2015-VA-GX-0016	9/1/2015	10/1/2014	9/30/2018	\$22,025,182
2016-VA-GX-0025	9/16/2016	10/1/2015	9/30/2019	\$24,699,013
<b>Total:</b>				\$52,039,516

Note: Each of these awards has a 4-year period of performance. A review of Grant Adjustment Notices confirmed there were no project period extensions.

Source: OJP Grants Management System (GMS)

Established by the *Victims of Crime Act* (VOCA) of 1984, the Crime Victims Fund (CVF) supplies funds to grant programs that support both assistance services and compensation for victims and survivors of crime. The CVF holds the fines, penalties, and bond forfeitures of convicted federal offenders. The OVC annually distributes proceeds from the CVF to states and territories. The total amount of

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<sup>1</sup> The VOCA Victim Assistance Formula program is funded under 34 U.S.C. 20103.

funds that the OVC may distribute each year depends largely upon the amount of CVF deposits made during the preceding years and limits set by Congress.

In FY 2015, Congress significantly raised the previous year's cap on CVF disbursements, which more than quadrupled the available funding for victim assistance grants from \$455.8 million to \$1.96 billion. As a result, the OVC increased its annual VOCA assistance formula grant to CJB from \$5.31 million in FY 2014 to \$22.02 million in FY 2015.

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 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 Connecticut State Administering Agency (SAA), CJB is responsible for administering the VOCA victim assistance program. According to its website, CJB's mission is to serve the interests of justice and the public by resolving matters brought before it in a fair, timely, efficient, and open manner. At the time of our audit, CJB employed 3,432 individuals and had a budget of \$475,702,339 for FY 2018. The CJB is responsible for monitoring single audit requirements for subrecipients, conducting drawdowns, submitting the grant applications to OJP, conducting strategic planning, submitting grant financial reports to OJP, and issuing payments to vendors. Within CJB, the Office of Victim Services (OVS) handles day-to-day administration and oversight of the VOCA grants it receives. For the grants we audited, OVS's responsibilities included subrecipient selection, approving subrecipient reimbursement requests, submitting VOCA grant performance reporting to the OVC, financial and performance monitoring of subrecipients, and providing guidance to subrecipients.

## **OIG Audit Approach**

The objective of the audit was to evaluate how CJB designed and implemented its crime victim assistance program. To accomplish this objective, we assessed CJB's grant management performance in the following areas: grant program planning and execution, program requirements and performance reporting, grant financial management, and monitoring of subrecipients. Our scope encompassed VOCA victim assistance formula grants FY 2014 through FY 2016. We also performed fieldwork at four subrecipient locations to gain an understanding of CJB's monitoring of subrecipients and the administration of grant funds at the subrecipient level.

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, VOCA assistance program guidelines (VOCA Guidelines), and the OJP Financial Guide and DOJ Grants Financial Guide (Financial Guides) as our primary criteria.<sup>2</sup> We also reviewed relevant CJB policies and procedures and interviewed CJB personnel to determine how VOCA funds were distributed and administered. Finally, we reviewed CJB and subrecipient records reflecting grant activity.<sup>3</sup>

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<sup>2</sup> The OJP Financial Guide governs the FY 2014 grants in our scope, while the DOJ Grants Financial Guide applies to the FY 2015 and FY 2016 awards. The DOJ Grants Financial Guide reflects updates to comply with the Uniform Guidance, 2 C.F.R. Part 200.

<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

VOCA victim assistance awards should enhance crime victim services through subawards to local community-based organizations. CJB distributes 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. Based on the VOCA Guidelines, State Administering Agencies (SAA) must give priority to victims of sexual assault, domestic abuse, and child abuse. Under this program, SAAs must also make funding available for previously underserved populations of violent crime victims. The OVC distributes VOCA victim assistance grants to the SAAs, which have the discretion to select subrecipients from among eligible organizations that provide direct services to crime victims and, additionally, must distribute the majority of the funding to those organizations.<sup>4</sup>

Overall, we determined that CJB identified and planned to meet additional victim service needs with its increased FY 2015 funding. We did not identify any issues with CJB's process to select subrecipients, and we found that CJB adequately communicated applicable award requirements to its subrecipients.

### *Subaward Allocation Plan*

In response to the significant increase in CVF-available funding, the OVC required FY 2015 VOCA Victim Assistance Formula applicants to submit a subrecipient funding plan detailing what efforts would be taken to identify additional victim service needs, as well as subaward strategies to spend the substantial increase in available funding. In response, CJB provided its Preliminary Plan to Fund Subawards. To develop this plan, CJB met with state-wide victim advisory councils to assess the needs of victim service organizations and identify gaps in service. Based on these strategic planning meetings, CJB prioritized funding to subrecipients for technology, a cost of living increase, the expansion of existing projects, funding new projects, and increasing funding for underserved victim populations that included victims of gang violence and disabled victims. We found that the CJB subrecipient funding plan met OVC guidance expectations.<sup>5</sup>

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<sup>4</sup> As long as a SAA allocates at least 10 percent of available funding to victim populations in each of the victim categories of sexual assault, domestic abuse, child abuse, and underserved victims, a SAA has the sole discretion in determining the amount of funds each subrecipient receives.

<sup>5</sup> According to the VOCA Guidelines, SAAs are encouraged to develop a funding strategy, which should consider the following: the range of direct services throughout the State and within communities; the sustainability of such services; the unmet needs of crime victims; the demographic profile of crime victims; the coordinated, cooperative response of community organizations in organizing direct services; the availability of direct services throughout the criminal justice process, as well as to victims who are not participating in criminal justice proceedings; and the extent to which other sources of funding are available for direct services.

### *Subaward Selection Process*

The VOCA Guidelines encourage SAA's to rely on open competition to award funds to subrecipients when feasible. To assess how the CJB selected subrecipients and awarded CVF funds, we interviewed CJB officials and reviewed the state funding plan, subrecipient selection procedures, requests for proposals (RFPs), public advertisement of the RFPs, and the RFP scoring sheet. We found that the CJB Program Manager and Director annually drafted the RFP, which was then reviewed and approved by the purchasing services and legal services units. After approval of the RFP, the Judicial Branch Materials Management Purchasing Unit (Purchasing) was responsible for coordinating the remainder of the RFP process, including publishing the public notice for the RFP, distributing the RFP, scheduling the bidder's conference, coordinating evaluation panel meetings, summarizing the scoring of the proposals, corresponding with the respondents, and issuing the actual award notices. Additionally, Purchasing is the sole contact point between the Judicial Branch and the respondents.

Based on our discussions with CJB officials and review of RFP documentation, we found that (1) CJB relied on a competitive process to award funds to subrecipients for all grants we audited, and (2) CJB's award process, as implemented, appeared to have adequate segregation of duties because separate departments advertised, received, and scored the RFPs. According to CJB officials, the competitive selection of subrecipients provided incentives for existing subrecipients to accomplish programmatic goals and comply with grant terms and conditions.

We reviewed CJB's funding plan and found funds were allocated to non-profit and governmental victim assistance programs. We found CJB increased the number of subawards from 26 in FY 2014 to 80 in FY 2015. We also noted that CJB increased the number of subawards without significantly increasing the number of subrecipients. Between FY 2014 and FY 2016, CJB increased the number of subrecipients from 26 to 27, while providing additional subawards to existing subrecipients for different projects. In our review of CJB's selection process, we believe it met expectations established under the VOCA Guidelines.

### *Subaward Requirements*

State Administering Agencies (SAA) are required to communicate VOCA requirements to their subrecipients. We reviewed CJB's subaward documents, which conveyed the VOCA-specific award limitations, restrictions on use of funds, and reporting requirements to applicants. In reviewing these documents, we found that CJB made its subrecipients aware that they were required to follow the Uniform Guidance (UG) and VOCA victim assistance grant special conditions during the annual subrecipient conference. Additionally, CJB made its subrecipients aware of the UG and specific VOCA victim assistance grant special conditions by providing a copy of the special conditions it received in its award documentation from OJP, ensuring all grant special conditions it received were communicated to subrecipients. We found that CJB satisfied the requirement that VOCA requirements are communicated to subrecipients.

## Program Requirements and Performance Reporting

To determine whether CJB distributed VOCA assistance program funds to local community-based organizations that serve crime victims or enhance crime victim services, we reviewed CJB's distribution of grant funding through subawards made to local direct service providers. We also reviewed CJB's performance measures and performance documents that CJB used to track goals and objectives. We further examined OVC solicitations and award documents and verified CJB's compliance with special conditions governing recipient award activity.

Based on our analysis overall, we believe that CJB: (1) fulfilled the distribution requirements to priority victim groups, (2) implemented adequate procedures to compile annual performance reports, and (3) complied with the remaining special conditions we tested.

### *Priority Areas Funding Requirement*

VOCA Guidelines require that CJB 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 latitude for determining the method for identifying "previously underserved" crime victims.<sup>6</sup> In order to identify previously underserved crime victims, CJB relied on advisory councils and its internal analysis of service gaps obtained through review of progress reports, annual trainings, and ongoing communication with subrecipients. Based on this research, CJB found its previous underserved crime victims to be victims of assault, driving under the influence, elder abuse, human trafficking, stalking, and survivors of homicide victims. We found CJB's process for identifying previously underserved crime victims to be adequate. To assess whether CJB was on track to meet the program's distribution requirements, we examined how CJB allocated VOCA subawards and found that CJB tracked its priority area funding requirements using a summary spreadsheet that identified grant funds specific to the priority funding areas and that facilitated compliance with the 10-percent requirement. Consequently, we found CJB tracked the percentage of funds awarded to each victim category and either complied with or was on track to comply with the priority areas funding requirement for each grant we audited.<sup>7</sup>

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<sup>6</sup> Methods for identifying "previously underserved" victims may include public hearings, needs assessments, task forces, and meetings with statewide victim services agencies.

<sup>7</sup> The CJB allocates sexual assault funding throughout the project period in order to meet the 10-percent sexual assault allocation requirement by the end of the project period. At the time of our fieldwork, only the FY 2014 grant project period had ended. The FY 2015 and FY 2016 grant project periods were ongoing, but CJB appeared to be on track to satisfy the sexual assault funding requirement.

## Annual Performance Reports

Each SAA must annually report to the OVC on activity funded by any VOCA awards active during the fiscal year. These reports include the number of (1) agencies funded, (2) VOCA subawards, (3) victims served, and (4) victim services funded by VOCA victim assistance grants.

At the time of our fieldwork, CJB had submitted annual performance reports to the OVC for FYs 2014 through 2016. In FY 2016, the OVC also began requiring states to submit quarterly performance data through its web-based Performance Measurement Tool (PMT). We discussed with CJB officials how they compiled the performance report data from their subrecipients to complete these reports. A CJB official told us that subrecipients provide quarterly subaward performance data, as well as an annual performance narrative to CJB. Every quarter the CJB program manager compares the data in the quarterly report to data each subrecipient previously reported to identify possible reporting anomalies. Thereafter, the CJB director reviews and approves the quarterly report. After receiving approval from the CJB director, the CJB program manager enters the data into PMT to complete the quarterly and annual performance report. The CJB retains summary spreadsheets of its subrecipients' reporting while the subrecipients retain the source documents. To enhance its assurance over the completeness and accuracy of subrecipient reporting, the CJB conducts periodic site visits where validation testing is performed of the subrecipient documentation that supports the subrecipient reporting (see Subrecipient Site Visits section). Through its periodic site visits and testing, we believe CJB decreased the risk of its subrecipients inaccurately reporting performance data.

To determine whether the annual performance reports submitted by the CJB to OJP accurately reflected the activity of the grants, we judgmentally tested performance statistics and claims of accomplishment from the Annual Performance Report covering the fiscal year period of October 1, 2015, through September 30, 2016. Table 2 presents summary data from this annual performance report.

**Table 2**  
**Summary from Connecticut's**  
**Victim Assistance Program Annual Performance Report**  
**FY 2016**

Performance Categories	Data Reported
Number of Victims Served	51,385
Number of Services Provided	381,523

Source: Connecticut Annual State Performance Report for FY 2016

We reconciled the performance statistics and claims of accomplishments back to supporting summary documentation retained by CJB. Additionally, we performed site visits at four subrecipients and, as a part of our fieldwork, we reconciled subrecipient performance statistics reported to OVC by CJB to source documents,

and we noted no exceptions.<sup>8</sup> Based on our review, we concluded the CJB was able to adequately support its performance reporting.

### *Compliance with Special Conditions*

The special conditions of a federal grant award establish specific grant recipient requirements. We reviewed the special conditions for each VOCA victim assistance grant we audited and identified three that we deemed significant to grant performance and that were not tested under any of the other areas we reviewed for compliance. We tested compliance with the special conditions imposed on CJB regarding: (1) attending the annual VOCA National Training Conference; (2) Federal Funding Accountability and Transparency Act of 2006 (FFATA) reporting of first-tier subawards of \$25,000 or more; and (3) OJP financial management and grant administration training for Point of Contact and Financial Points of Contact. We found CJB complied with all of the special conditions we tested.

### **Grant Financial Management**

The Financial Guides require that award recipients establish and maintain an adequate accounting system and financial records that accurately account for awarded funds. To aid in our assessment of CJB's financial management of the VOCA grants, we reviewed the State of Connecticut's most current Single Audit Reports covering FYs 2015 and 2016. We did not identify any significant deficiencies or material weaknesses specifically related to CJB or any cross-cutting issues that would have impacted CJB.

We also interviewed CJB personnel responsible for financial aspects of the grants, reviewed CJB's written policies and procedures, inspected award documents, and reviewed financial records. Although our audit did not assess the CJB's overall system of internal controls, we did review the internal controls of CJB's financial management system specific to the management of funds for each grant award during the grant periods under review. We found CJB established grant-specific accounting codes for each VOCA grant and had adequate internal controls in place to receive and account for these grant funds. We determined CJB's internal controls were working as intended. We found no exceptions with CJB's administrative expenditures, subrecipient expenditures, drawdowns, compliance with the matching cost requirement, and financial reporting.

### *Grant Expenditures*

State administering agencies may use VOCA victim assistance funds to support costs in two overarching categories: (1) reimbursements to subrecipients, which constitute the vast majority of total expenditures, and (2) administrative expenditures, which can 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

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<sup>8</sup> Our fieldwork at subrecipients is discussed in greater detail later in this report.

transactions from each of these categories by reviewing financial records and verifying support for select transactions.

Administrative Expenditures

State administering agencies participating in the VOCA program may retain up to 5 percent of each grant to pay for administering its crime victim assistance program and training, among other allowable uses. Based on our review of CJB’s financial records we found that CJB complied with, or was in a position to comply with, the 5-percent administrative cost limitation requirement, as shown in Table 3.<sup>9</sup>

**Table 3**  
**Administrative Expenditures**  
**As of November 2017**

Award Number	Total Award	Allowable Administrative Expenditures	Actual Administrative Expenditures
2014-VA-GX-0003	\$5,315,321	\$265,766	\$265,766
2015-VA-GX-0016	\$22,025,182	1,101,259	431,840
2016-VA-GX-0025	\$24,699,013	\$1,234,951	\$36,412

Source: CJB Financial Records

The CJB did not charge personnel expenditures to the VOCA grants and instead relied on other sources of funding to support personnel that worked on the VOCA grants. For non-payroll administrative expenditures, for the FY 2014 through 2016 awards, we tested a sample of 20 transactions totaling \$156,071 that comprised 22 percent of CJB’s administrative expenditures. The sample included a cross section of CJB’s administrative expenditures in the following categories: (1) training, (2) conferences, (3) honorarium, (4) indirect costs, (5) travel, and (6) State Administering Agencies subrecipient oversight expenses.<sup>10</sup> We reviewed supporting documentation retained by CJB to determine if the amount charged to the awards was properly authorized, supported, allocated, reasonable, and allowable. We found no exceptions with CJB’s administrative expenditures.

Subrecipient Expenditures

We selected 4 of the 26 subrecipients who received and spent VOCA subawards from CJB for detailed expenditure testing and site visits. When determining which subrecipients to select for testing, we considered the following

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<sup>9</sup> The FY 2015 and 2016 VOCA grants project periods were ongoing at the time of our audit fieldwork, and CJB had not exceed the 5-percent administrative cost limit for those awards.

<sup>10</sup> VOCA Guidelines permit SAAs to pass-through funds for administrative oversight to other entities. We tested funds CJB allocated to two domestic violence and sexual assault coalition subrecipients for the administrative oversight of domestic violence and sexual assault second-tier subrecipients.

factors: (1) the dollar amount of expenditures claimed by subrecipient, (2) the location of the subrecipient to gain a diverse range for our sample, (3) the risk assessment rating assigned by CJB on its annual rating of the subrecipient, and (4) the last dates of subrecipient reviews performed by CJB. We also used the type of services provided by the subrecipient as a factor, with particular attention to the major categories of sexual assault, spousal abuse, child abuse, and underserved victims. These collective subrecipient reimbursement requests totaled \$10,236,153 for the subawards that were in our audit universe. We tested a sample of 66 subrecipient transactions totaling \$575,316 from multiple budget categories to determine if expenditures were allowable, properly authorized, adequately supported, and in compliance with award terms and conditions.

We determined that the subaward expenditures that we sampled were allowable, reasonable, supported, and necessary. We also determined the costs were within the award terms and conditions and consistent with the subaward budget categories.

*Drawdowns*

OJP provides recipients access to an electronic financial management system in order to request awarded funds via drawdowns. Award recipients should request funds based upon immediate disbursement or reimbursement needs, and drawdown requests should be timed to ensure that federal cash on hand is held for a minimum amount of time as needed for disbursements or reimbursements made immediately or within 10 days. During our audit, CJB officials stated that they requested VOCA funds on a reimbursement basis. As of May 2018, drawdowns for all VOCA grants we audited totaled \$30,590,001 or more than 58 percent of the total grant funds awarded in FYs 2014 through 2016, as shown in Table 4.

**Table 4  
Drawdowns for Each Grant  
As of May 2018**

<b>Award Number</b>	<b>Total Award</b>	<b>Amount Drawn Down</b>	<b>Amount Remaining</b>
2014-VA-GX-0003	\$5,315,321	\$5,315,321	\$0
2015-VA-GX-0016	22,025,182	18,854,879	3,170,303
2016-VA-GX-0025	24,699,013	6,419,801	18,279,211
<b>Total:</b>	\$52,039,516	\$30,590,001	\$21,449,515 <sup>a</sup>

<sup>a</sup> Total off due to rounding.

Source: OJP Payment History Records

To assess whether CJB properly requested these funds, we compared the cumulative drawdowns for each award to the expenditures recorded for each award in CJB's financial records. This comparison confirmed that CJB requested VOCA

funding on a reimbursement basis and did not hold an excess of grant funds. To obtain additional assurance we compared one drawdown to source financial documentation and found CJB had adequate documentation to support the drawdown we examined.

### *Matching Requirement*

VOCA Guidelines require that subrecipients match 20 percent of each subaward. The purpose of this requirement is to increase the amount of resources available to VOCA projects, prompting subrecipients to utilize other funding sources to help ensure future sustainability. Although subrecipients must derive required matching contributions from non-federal, non-VOCA sources, subrecipients can provide either cash or an in-kind match to meet matching requirements.<sup>11</sup> VOCA Guidelines state that any deviation from this policy requires OVC approval. The State Administering Agency has primary responsibility for ensuring subrecipient compliance with the match requirements. The CJB relies on a combination of subrecipient in-kind contributions and state victim assistance grants provided to subrecipients to meet its matching cost requirement. We found that CJB met the 20-percent match requirement for the FY 2014 grant and was on track to meet the requirement for the FY 2015 and 2016 grants, whose project periods had yet to conclude.

The CJB communicated the 20-percent match requirement to its subrecipients in the Request for Proposal solicitation and the subaward documents provided to each subrecipient. CJB subrecipients report their matching contributions monthly or quarterly in conjunction with their reimbursement requests. To determine if subrecipient matching costs were accurate, supportable, and reasonable, we selected a judgmental sample of 20 transactions from 4 subrecipients, in the amount of \$43,962. Our sample included subrecipient transactions for personnel expenditures and fringe benefits, in-kind administrative costs, travel, and in-kind volunteer time. We did not identify any exceptions with the documentation subrecipients provided to support the expenditures applied toward the matching cost requirement. As a result, we concluded that CJB complied with the matching cost requirement.

### *Federal Financial Reports*

According to the Financial Guides, recipients are required to report actual expenditures and unliquidated obligations incurred for the reporting period on financial reports, as well as cumulative expenditures. Additionally, the Financial Guides require grantees to record and report matching costs (non-federal share) that contributed to the grants. To determine whether CJB submitted accurate Federal Financial Reports (FFR), we compared the four most recent FFRs for the FY 2014 through 2016 awards to expenditures shown in CJB's financial records for each grant. In its quarterly FFR submissions to OJP, CJB certified that it used the

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<sup>11</sup> 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.

cash basis of accounting. We found that the expenditures reported on the 12 FFRs we tested reconciled to CJB's financial records and that CJB used the cash basis of accounting to prepare the FFRs. As a result, we determined CJB's financial reports were accurate.

## **Monitoring of Subrecipients**

According to the Financial Guides, 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, CJB must develop policies and procedures to monitor subrecipients. To assess how CJB monitored its VOCA subrecipients, we interviewed CJB personnel, identified CJB monitoring procedures, and obtained records of interactions between CJB and its subrecipients. We also conducted site visits of four subrecipients, which included a state coalition. Our field work included interviewing personnel, touring facilities, and reviewing accounting and performance records.

CJB's subrecipient monitoring program included comprehensive financial and programmatic monitoring procedures, desk reviews, subrecipient risk assessments, and detailed site visits. We found that CJB monitoring procedures were designed to provide reasonable assurance that subrecipients were appropriately using VOCA funds and reporting complete and accurate information on the victim populations they serve. We spoke with subrecipient officials about the type and frequency of support received from CJB, and were told support from CJB included prompt responses to subrecipient questions and periodic training sessions. Officials from the subrecipients we visited said that the overall level of support from CJB was adequate. We found CJB visited each subrecipient every 2 years and conducted detailed financial and programmatic testing of the subrecipients' internal controls and reliability of financial and performance information that the subrecipients reported to CJB. From our detailed review of CJB's subrecipient monitoring practices, we determined that CJB's financial and programmatic monitoring were adequate.

### *Financial and Programmatic Desk Monitoring*

The VOCA Guidelines require that grantees perform regular desk monitoring of subrecipients. The Uniform Guidance (UG) requires that grantees review the financial and performance reports of its subrecipients. CJB performs desk monitoring through its review of subrecipient reimbursement requests and programmatic statistics subrecipients submit on either a monthly or quarterly basis. A CJB official told us that CJB does not request back-up documentation during its desk review of financial and programmatic reporting and instead obtains reasonable assurance through validating the accuracy of the reports during site visits. A CJB official told us the review of financial and programmatic reporting was intended to identify significant program statistical deviations, significant subaward budget deviations within approved categories, funds not being utilized, and funds being spent in unapproved budget categories. All four of the subrecipients we visited told us CJB had contacted them periodically about financial or performance reporting

questions that arose from the CJB's review of their reimbursement requests and performance reports. Overall, we determined that CJB satisfied the VOCA Guidelines and UG requirements for review of subrecipient financial and programmatic reporting as well as conducting regular desk monitoring.

### *Subrecipient Risk Assessment*

The VOCA Guidelines require that State Administering Agency's subrecipient monitoring plan include a risk assessment plan. In order to implement the VOCA monitoring requirements, the CJB uses a three-tiered risk classification system to determine the level of program monitoring. The annual risk assessment methodology applied by CJB factors the number of current grants, award amounts of the grants, subrecipient staff turnover, program progress reports, the subrecipients' history of meeting award requirements, and the timeliness of reporting. All of these collective factors are assigned a weighted numerical value, which enables CJB to rank subrecipients based on their overall level of risk. According to CJB's monitoring procedures, subrecipients who score higher on their annual risk assessment increase their likelihood of receiving both an on-site monitoring and more detailed desk reviews where the subrecipient would be required to provide supporting documentation for reimbursement requests and performance statistics. According to CJB's monitoring procedures, the program manager completes a risk assessment for each grant-funded program and relies on the risk assessments to prepare a monitoring schedule listing the subrecipients that will need desk reviews and on-site visits for the year. CJB relies on the annual risk assessments to prioritize which subrecipients will receive site visits first within the 2-year monitoring cycle. We found CJB was performing annual risk assessments for its subrecipients and complying with the VOCA Guidelines.

### *Subrecipient Site Visits*

The VOCA Guidelines recommend that a site visit be performed for each subrecipient every 2 years. Similarly, CJB's subrecipient monitoring procedures require that each subrecipient receive a site visit at least once every 2 years. To assess subrecipient compliance during site visits, CJB's team, which includes the program manager and an accountant, relied on the Contractor Monitoring Report, a detailed testing instrument developed by CJB, to determine if a subrecipient's procedures, record retention, subaward expenditures, matching costs and programmatic reporting complied with subaward requirements. To evaluate if the CJB was following its own procedures, we conducted four subrecipient site visits and found CJB was adhering to its monitoring procedures. Through its detailed testing of the financial and programmatic data that formed the basis of subrecipient reimbursement requests and programmatic reporting, we found that CJB obtained reasonable assurance that subrecipient quarterly and monthly reimbursement reports and performance reporting were complete, accurate, and supported by verifiable documentation. We determined CJB communicated the results of site visits to the subrecipients in writing. We also found the CJB complied with the VOCA Guidelines and its own internal policies and procedures because CJB conducted site visits every 2 years for each of its 27 subrecipients.

### *OIG Site Visits*

To further assess if CJB's monitoring was effective, we performed site visits at four subrecipients. During these site visits, we reconciled a judgmental sample of expenditures, matching costs, and performance statistics. As mentioned previously in the applicable sections of the report, we did not find any exceptions with the subrecipients' supporting documentation for expenditures, matching cost and performance statistics. From our review, we determined that CJB's monitoring of subrecipient performance reporting appeared to be adequate.

## **CONCLUSION**

We found CJB used its grant funds to generally enhance services for crime victims served through its network of subrecipients. Overall, we found no exceptions with CJB's grant program planning and execution, adherence to program requirements and performance reporting, grant financial management, and subrecipient monitoring.

### OBJECTIVE, SCOPE, AND METHODOLOGY

#### Objective

The objective of the audit was to evaluate how the Connecticut Judicial Branch (CJB) designed and implemented its crime victim assistance program. To accomplish the 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 including expenditures, drawdowns, matching cost requirements, financial reporting; (4) and 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 2014-VA-GX-0003, 2015-VA-GX-0016, and 2016-VA-GX-0025 from the Crime Victims Fund awarded to CJB. The Office of Justice Programs (OJP), Office for Victims of Crime awarded these grants totaling \$52,039,516 to CJB. The CJB is the designated state administering agency and formal grant recipient. Additionally, within CJB, the Office of Victim Services is responsible for the administration and management of Connecticut's victim assistance program. Our audit concentrated on, but was not limited to, the period of October 1, 2013, the project start date for VOCA assistance grant number 2014-VA-GX-0003, through audit fieldwork that concluded in February 2018. As of May 2018, CJB had drawn down a total of \$30,590,001 from the grants we audited.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of CJB activities related to the audited grants. We performed sample-based audit testing for grant expenditures including personnel expenditures and fringe benefit charges and subrecipient expenditures. 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 OJP Financial Guide and DOJ Grants Financial Guide, VOCA Victim Assistance Program Guidelines, Connecticut Judicial Branch financial policies and procedures and the award documents contain the primary criteria we applied during the audit. We also reviewed Connecticut's most recent Single Audit Reports for its fiscal years 2015 and 2016.

During our audit, we obtained information from OJP's Grants Management System as well as CJB's accounting system specific to the management of DOJ grant funds during the audit period and the PMT system. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems was verified with documentation from other sources and site visits of four subrecipients.

CONNECTICUT JUDICIAL BRANCH  
RESPONSE TO THE DRAFT AUDIT REPORT



STATE OF CONNECTICUT  
JUDICIAL BRANCH

CHAMBERS OF  
PATRICK L. CARROLL III  
CHIEF COURT ADMINISTRATOR

231 CAPITOL AVENUE  
HARTFORD, CT 06106

August 14, 2018

Thomas O. Puerzer, Regional Audit Manager  
U.S. Department of Justice  
Office of the Inspector General  
Philadelphia Regional Audit Office  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

Dear Mr. Puerzer:

I am pleased to provide an official response to the audit your office recently conducted on the Connecticut Victim Assistance Formula Grant Program. While my response is not required because there were no audit recommendations, I welcome the opportunity to thank you and your staff for reviewing the operation of this important program.

The Judicial Branch takes audits very seriously and welcomes professional feedback regarding our management practices. Your review of Judicial Branch program compliance, including performance reporting and financial management, is a valuable check on our policies, procedures and practices. An audit of this nature provides independent, reliable, and trustworthy observations on the Branch's ability to maintain strong internal controls, and appropriate compliance and financial reporting and practices. It also builds confidence and strengthens credibility among present and potential grantors agencies.

The Branch's Office of Victim Services staff places high value on collaborating with colleagues on the local, state and national level. It is through this collaboration, which includes your office, that we are able to share best practices with recipients and assist them with sub-recipient monitoring, overcome obstacles, reduce costs, solve problems and increase knowledge. Ultimately, this work results in improved service delivery to victims of crime.

Please extend my thanks to the audit team for their patience and support. The Judicial Branch benefits from their work and appreciates their assistance in improving our oversight of these important federal resources.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick L. Carroll III".

Hon. Patrick L. Carroll III  
Chief Court Administrator  
State of Connecticut, Judicial Branch

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OJP'S 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

AUG 16 2018

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

FROM: Ralph E. Martin  
Director

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Assistance Formula Grants Awarded to the Connecticut Judicial Branch, Hartford, Connecticut*

This memorandum is in response to your correspondence, dated July 31, 2018, transmitting the subject draft audit report for the Connecticut Judicial Branch. The draft report does not contain any recommendations directed towards the Office of Justice Programs (OJP). OJP has reviewed the draft audit report and does not have any comments.

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.

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

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