



Audit of the Office of Justice Programs Victim  
Compensation Grants Awarded  
to the Ohio Attorney General,  
Columbus, Ohio



21-058

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**MARCH 2021**

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# Executive Summary

*Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the Ohio Attorney General, Columbus, Ohio*

## Objective

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

## Results in Brief

As a result of our audit, we concluded that the Ohio AG adequately utilized and managed the audited Victims of Crime Act (VOCA) funding to enhance its victim compensation program. This audit did not identify significant concerns regarding the Ohio AG's management of grant program planning and execution, performance reporting, and federal financial reporting. However, we identified areas for improvement in grant financial management and within Ohio AG policies, including the need to detail certain claimant payment scenarios, records retention, and the methodology for calculation of figures for the annual state certification form. We also identified that the Ohio AG did not base its drawdowns on actual expenditures and therefore experienced excess cash on hand.

## Recommendations

Our report contains nine recommendations to the Office of Justice Programs (OJP) to assist the Ohio AG in improving its grant management and administration of crime victim compensation funding. Responses to our draft audit report from OJP and the Ohio AG 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 Office of the Inspector General completed an audit of three VOCA victim compensation grants awarded by OJP, Office for Victims of Crime (OVC) to the Ohio AG in Columbus, Ohio. The OVC awarded these formula grants, totaling \$11,755,000, from fiscal years (FY) 2017 to 2019, from the Crime Victims Fund to provide financial support through the payment of compensation benefits to crime victims throughout Ohio. As of September 2020, the Ohio AG drew down a cumulative amount of \$11,755,000 for all of the grants we reviewed.

**Planning and Execution** – The Ohio AG used and managed its VOCA funding to enhance payments for crime victims by planning for and distributing the VOCA funding it received. We also found that the Ohio AG accurately completed its state certification form, performance reports, and federal financial reports.

**Grant Financial Management** - The Ohio AG generally implemented adequate controls over claim expenditures. However, we found that the Ohio AG did not base drawdowns on actual expenditures and this practice resulted in maintaining excess cash past the allowable 10 days.

**Inadequate Procedures** – We found that the Ohio AG lacked formalized procedures for completing required annual state certification forms. In addition, the Ohio AG's policies lacked sufficient information on records retention requirements for delayed payments to minors, instances when a victim can file separate claims to ensure the consistent review of applications, and conflicts of interest.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
VICTIM COMPENSATION GRANTS AWARDED TO  
THE OHIO ATTORNEY GENERAL, COLUMBUS, OHIO**

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# AUDIT OF THE OFFICE OF JUSTICE PROGRAMS VICTIM COMPENSATION GRANTS AWARDED TO THE OHIO ATTORNEY GENERAL, COLUMBUS, OHIO

## INTRODUCTION

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three victim compensation formula grants awarded by the Office of Justice Programs (OJP), Office for Victims of Crime (OVC) to the Ohio Attorney General (Ohio AG) in Columbus, Ohio. The OVC awards victim compensation grants annually from the Crime Victims Fund (CVF) to state administering agencies. As shown in Table 1, from fiscal years (FY) 2017 to 2019, these OVC grants totaled \$11,755,000.

**Table 1**  
**Audited Grants**  
**Fiscal Years 2017 – 2019**

<b>Award Number</b>	<b>Award Date</b>	<b>Award Period Start Date</b>	<b>Award Period End Date</b>	<b>Award Amount</b>
2017-VC-GX-0036	09/28/2017	10/1/2016	9/30/2020	\$ 4,249,000
2018-V1-GX-0029	08/09/2018	10/1/2017	9/30/2021	3,299,000
2019-V1-GX-0002	09/13/2019	10/1/2018	9/30/2022	4,207,000
<b>Total:</b>				<b>\$ 11,755,000</b>

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

Source: OJP

Established by the Victims of Crime Act (VOCA) of 1984, the CVF is used to support crime victims through DOJ programs and state and local victim services.<sup>1</sup> The CVF is supported entirely by federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments. The OVC annually distributes proceeds from the CVF to states and territories. VOCA victim compensation formula grant funds are available each year to states and territories for distribution to eligible recipients.

The primary purpose of the victim compensation grant program is to compensate victims and survivors of criminal violence for: (1) medical expenses attributable to a physical injury resulting from a compensable crime, including expenses for mental health counseling and care; (2) loss of wages attributable to a physical injury resulting from a compensable crime; and (3) funeral expenses attributable to a death resulting from a compensable crime.<sup>2</sup>

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

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

## **The Grantee**

As the Ohio state administering agency, the Ohio AG is responsible for administering the VOCA victim compensation program. The Ohio AG consists of nearly 30 distinct organizational sections that advocate for consumers and victims of crime, assist the criminal justice community, provide legal counsel for state offices and agencies, and enforce state laws. The Crime Victims Services Section of the Ohio AG oversees the victim compensation program. According to its annual report, the Section specializes in helping vulnerable Ohioans transition from victims to survivors. The Ohio Victims Crime Compensation Fund was created in 1976 to help ease the financial impact inflicted on innocent victims of violent crime.

## **OIG Audit Approach**

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

We tested compliance with what we considered the most important conditions of the grants. Unless otherwise stated in our report, we applied the authorizing VOCA legislation, the VOCA compensation program guidelines (VOCA Guidelines), and the DOJ Grants Financial Guide as our primary criteria. We also reviewed the Ohio Revised Code, which is the legal state statute pertaining to the compensation program, as well as Ohio Crime Victim Services Section-specific policies and procedures. We also interviewed Ohio AG personnel to determine how they administered the VOCA funds and obtained and reviewed Ohio AG records reflecting grant activity.<sup>3</sup>

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<sup>3</sup> Appendix 1 contains additional information on the audit's objective, scope, and methodology, as well as further detail on the criteria we applied for our audit.

# AUDIT RESULTS

## Grant Program Planning and Execution

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

Overall, we determined that the Ohio AG's implementation of its victim compensation program was appropriate and in compliance with the VOCA Guidelines. We found that the Ohio AG generally complied with federal grant requirements and established an adequate program to compensate victims and survivors of criminal violence. While we did not identify any issues with efforts to bring awareness to the program or the accuracy of the state certification form, we noted areas of improvement related to Ohio AG internal policies and guidance for maximum award limitations and the procedures for calculating figures for the state certification forms.

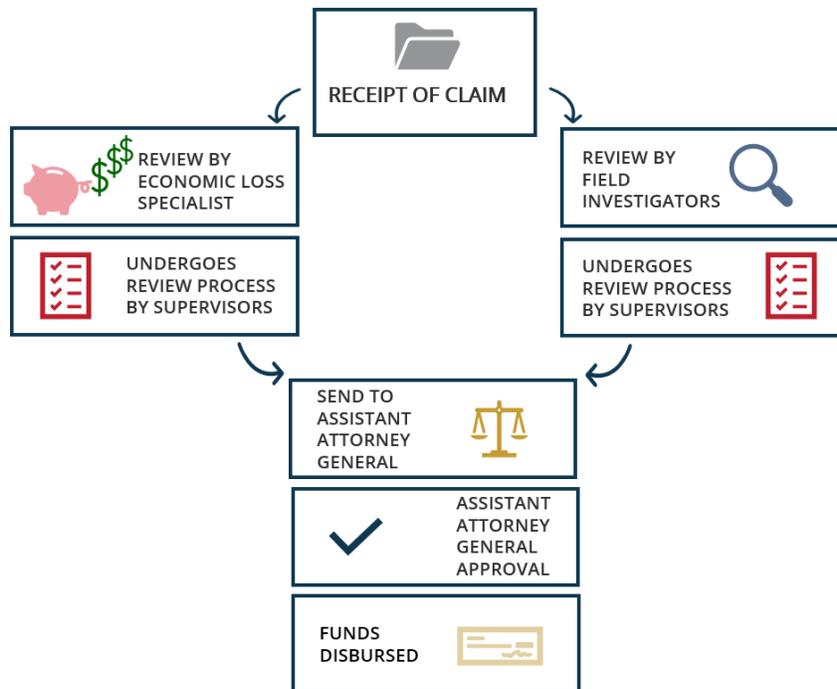
### *Program Implementation*

State administering agencies receive VOCA victim compensation grants to compensate victims directly for expenses incurred from criminal victimization. As the state administering agency for Ohio, the Ohio AG was responsible for the victim compensation program, including meeting all financial and programmatic requirements. When paying claims for victims, the Ohio AG operates under the Ohio Revised Code 2743.51 to 2743.72, the Crime Victim Services Section Compliance Policy and Procedures 2020, and applicable court judgments, which conveyed the state-specific policies for the victim compensation program. In assessing the Ohio AG's implementation of its victim compensation program, we analyzed policies and procedures governing the decision-making process for individual compensation claims, as well as what efforts the Ohio AG made to bring awareness of the compensation program to victims eligible for program benefits.

Based on our review, we found that the Ohio AG had established processes for reviewing applications, determining claimant eligibility, reviewing requests for payment of expenses incurred, and paying individual compensation claims. Upon receipt of a claim, a Claims Specialist reviews and verifies the completeness of the application. Then an Economic Loss Specialist reviews the claims along with the associated receipts to calculate any monetary loss. Field Investigators are assigned simultaneously to review the police report and surrounding facts of the incident and verify that the applicant is the victim of a crime. When the Economic Loss Specialist and Field Investigator have completed their review of a claim, a supervisor reviews the work of each investigator to verify claim adjudication and calculation. The claim is then submitted to an Assistant Attorney General for final approval. Therefore, we found that the Ohio AG established processes for handling and adjudicating the adequacy and support of the claims, as well as the eligibility of

the claimant, and has adequate separation of duties for each of these processes. See Figure 1 for a depiction of the claims adjudication process.

**Figure 1**  
**OAG Claims Adjudication Process**



Source: OIG analysis of the Ohio AG’s process

The Ohio AG also established a reconsideration and appeal process for claimants that do not agree with the initial determination of their claim. Upon receiving and reviewing the Ohio AG’s determination, a claimant can request that the Ohio AG revisit the circumstances that may have led to all or part of the claim to be initially denied. If the claimant still does not agree with the subsequent determination, an appeal can be made to the Ohio Court of Claims for a formal hearing.

We believe the Ohio AG’s claims adjudication process is adequate and includes sufficient controls to provide for the appropriate and fair adjudication of claims. We did identify one area for improvement. During our review of the criteria for determining award amounts we found that the Ohio Revised Code allows for the maximum of \$50,000 to be paid to a victim and all other claimants. However, when reviewing a sample of approved claims, we identified a situation in which a claimant received a total of \$100,000 in compensation. In this particular case, a victim received an award of \$50,000 for economic loss as the dependent of a deceased victim and an additional \$50,000 for lost wages sustained as a result of personal injuries that prohibited this victim from returning to work after the same criminal event that caused the death of the individual’s spouse. We reached out to the Ohio AG to clarify its practice for making payments in this type of situation and one Ohio AG official stated that in instances when there are two victims and one of

the victims happens to be a dependent of the other victim, the first victim can file as a claimant for both themselves and as a dependent of a victim. He further explained that in such an instance, it is possible that one individual may be awarded \$100,000 for one incident. While we understand the logic in this decision-making, we reviewed internal Ohio AG policies and guidance and determined that these internal documents do not adequately describe this level of detail for handling claims related to the same criminal incident. As such, we are concerned that if different Economic Loss Investigators review these types of claims, they may handle the applications and award amounts differently, potentially adjudicating different claims inequitably and inconsistent with state code. Therefore, we recommend that OJP ensure the Ohio AG's internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.

We also noted that the Ohio Revised Code allots the Ohio AG 120 days to make a written finding of fact and decision for new and supplemental compensation applications received, with the authority to extend this 120-day limit by providing a written justification to the claimant that describes the specific reason for its need for an extension, as well as when the claimant should expect to receive a determination. During our review of approved victim compensation claims processed by the Ohio AG, we assessed the timeliness of the adjudication of the claims by comparing the date the claim application was received by the Ohio AG to the date the applicant was notified of the Ohio AG's determination.<sup>4</sup> We found that 45 percent of these claims were not adjudicated within the 120-day timeframe. For those claims in our sample that exceeded the 120-day timeframe, the delay averaged 70 days, with the longest delay being 240 days. We note that the Ohio AG generally followed the timeframe and associated criteria established in the Ohio Revised Code by providing claimants the necessary written justifications for exceeding the 120-day timeframe. We understand that the timely adjudication of claims does not outweigh the responsibility of fully reviewing all pertinent information related to each claim. While we ultimately take no issue with the Ohio AG's adjudication timeliness, we encourage the Ohio AG to work towards meeting the 120-day time frame to help ease the financial impact inflicted on victims of violent crime.

Additionally, during our review we found that Ohio AG policies and procedures did not contain a written policy addressing potential employee conflicts of interest. While we noted that the Ohio Ethics Law broadly covers conflicts of interest for state employees, the Ohio AG's policies and procedures do not specify how to identify and handle potential conflicts of interest. When asked about potential conflicts of interest, an Ohio AG official stated that a claim reviewer with a potential conflict would notify management and the claim would be reassigned. Although we believe this would be an appropriate action, there was no requirement in the Ohio AG's policy manual for this to occur. The DOJ Grants Financial Guide states that decisions related to funds must be free of undisclosed personal or organizational conflicts of interest, both in fact and in appearance. The lack of a

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<sup>4</sup> As discussed in more detail in the *Grant Expenditures* section of the report, we sampled 75 approved compensation claims.

clear policy and procedure that addresses conflicts of interest for processing claims leaves the Ohio AG vulnerable to misuse of funds. Therefore, we recommend that OJP ensure that the Ohio AG's internal policy and procedures address conflicts of interest.

We also found that the Ohio AG has an established Outreach Unit. The Outreach Unit conducts training for victim service providers, prosecutors, and the general population to ensure that Ohio citizens are aware of and understand the compensation program. At the time of our audit, due to the COVID-19 pandemic, the Outreach Unit was conducting its training only in a virtual manner. Finally, the Ohio AG publicizes the victim compensation program through materials such as booklets, posters, and palm cards, which are distributed to prosecution and law enforcement offices, who in turn hand out these materials to victims.

### *Annual State Certification*

State administering agencies must submit an annual Crime Victim Compensation State Certification Form, which provides the OVC the necessary information to determine the grant award amount. The certification form must include all sources of revenue to the crime victim compensation program during the federal fiscal year, as well as the total of all compensation claims paid out to, or on behalf of, victims from all funding sources. The OVC allocates VOCA victim compensation formula grant funds to each state by calculating 60 percent of the eligible compensation claims paid out to victims during the fiscal year 2 years prior.<sup>5</sup> The accuracy of the information provided in the certification form is critical to OJP's correct calculation of the victim compensation award amounts granted to each state.

We assessed the Ohio AG's controls for preparing the annual certification forms submitted to the OVC for FYs 2017 through FY 2019, which were or will be used to calculate the award amounts granted in FYs 2019 through 2021, respectively.<sup>6</sup> We discussed with an Ohio AG official the process used to determine the amounts reported on the form and verified the amounts. This individual informed us that the Ohio AG does not have written procedures; however, the individual was able to describe in detail the multiple steps required to report accurate figures on the state certification forms, including organizing data to align the auditee's fiscal year with the federal government's fiscal year and utilizing different systems to obtain reports for the restitution, recoveries, and subrogation amounts. We determined that the Ohio AG's process adequately ensures that reported amounts are correctly calculated on its annual certification forms.

We reviewed the FY 2019 annual certification form, including the financial support for the payouts and revenues. We did not find any errors in the reported

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<sup>5</sup> The eligible payout amount for award consideration is determined after deducting payments made with VOCA funds, subrogation and restitution recoveries, refunds, amounts awarded for property loss, and other reimbursements.

<sup>6</sup> The OJP's Office of the Chief Financial Officer, Budget Execution Division calculates the allocations for VOCA eligible crime victim compensation programs, and OVC makes the grant awards.

amounts on the FY 2019 state certification form; the reported calculated amounts for subrogation and restitution recoveries, reimbursements, and payout amounts made with VOCA funds and state funds were accurate and supported by the Ohio AG's accounting records. However, we are concerned that the Ohio AG does not maintain written procedures. Without a documented process, the Ohio AG risks losing this individual's institutional knowledge, as well as potential inconsistencies in how the figures are reported should another official prepare the form. As such, we recommend that OJP ensure the Ohio AG develops formalized policies and procedures for preparing the annual state certification forms.

### **Program Requirements and Performance Reporting**

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

Based on our overall assessment in the areas of program requirements and performance reporting and as described in the following sections, we believe that the Ohio AG: (1) implemented adequate procedures to compile annual performance reports, but (2) did not comply with one of the three tested special conditions.

#### *Annual Performance Reports*

Each state administering agency must annually report to the OVC on activity funded by any VOCA awards active during the federal fiscal year. During the period of this audit, the annual reports were submitted through OJP's Grants Management System. The OVC also requires states to submit quarterly performance data through the web-based Performance Measurement Tool. After the end of the fiscal year, the state administering agency is required to produce the Annual State Performance Report and provide it to OJP.

For the victim compensation grants, the states must report the number of victims for whom an application was made; the number of victims whose victimization is the basis for the application; victim demographics; the number of applications that were received, approved, denied, and closed; and total compensation paid by service type.

We assessed whether the Ohio AG's annual performance report to the OVC fairly reflected the performance figures of the victim compensation program. We reconciled a sample of three different performance metrics from each of the quarterly performance measures reports submitted during FY 2019. This sample included the number of victims for whom an application was made; the number of victims whose victimization is the basis for the application; various victim demographics; the number of applications that were received, approved, denied, and closed; and the total compensation paid by service type. We did not identify

any issues and we were able to reconcile the totals the Ohio AG reported to the OVC to the state's supporting information.

### *Compliance with Special Conditions*

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

We judgmentally selected three special conditions to review in greater detail. The first required the award's points of contact to complete OJP financial and grant administration training. The second required that at least one key grantee official attend the annual VOCA National Training Conference. The third required that the Ohio AG collect and maintain demographic information, where such information is voluntarily furnished. We reviewed the Ohio AG's actions related to these three special conditions and found that the Ohio AG was in compliance with two of these special conditions but was not in compliance with the third special condition we tested.

The VOCA national training conference special condition stipulates that at least one key grantee official must attend the annual VOCA National Training Conference and that any recipient unable to attend must obtain prior approval by the OVC in writing. We found that no Ohio AG compensation department officials attended the 2019 VOCA Conference. We reached out to the Ohio AG for an explanation as to why an official did not attend the conference and whether the Ohio AG received prior written approval from the OVC not to attend the conference. An Ohio AG official responded that during the transition to a newly elected Attorney General, priority was given to developing processes that are necessary for an office to function. This official further noted that travel, conference approvals, and other such items often are not prioritized during such transitions. This official also cited budgetary shortfalls that resulted in inadequate funds to send an attendee to the conference. In response to our inquiry, the Ohio AG provided us a letter addressed to the OVC requesting retroactive approval to not attend the conference. This request was approved by the OVC.

According to the OVC, the VOCA Conference is a unique opportunity for all VOCA administrators, managers, staff, and board members to obtain critical up-to-date information on VOCA funding and ways to improve program and grant management. The conference is also an opportunity to exchange information, experiences, and ideas with people with similar responsibilities in other states as well as meet with federal officials, colleagues from other states, and allied professionals. By missing the 2019 conference, the Ohio AG may have missed out on these opportunities. We reviewed Ohio AG policies and procedures related to special conditions and found that while the procedures describe the acceptance of award special conditions, they are silent on the monitoring of special conditions. As

such, we recommend that OJP ensure the Ohio AG establishes policies and procedures to monitor compliance with award special conditions.

To ensure compliance with the requirement to collect and maintain information regarding race, gender, and age of recipients of compensation benefits, where such information is voluntarily furnished, we reviewed the Ohio AG's Victim Compensation application form. We found that both gender and date of birth information points are requested on the application, but not in the voluntary victim statistical information section. The gender and date of birth information were instead gathered in the victim information section of the application. Further, during a discussion with an Ohio AG official we found that the Ohio AG will gather age and gender information from other sources, such as police reports or death certificates, if that information was not provided by the applicant. This age and gender information – whether gathered voluntarily or through Ohio AG research – was then used to complete performance measures reports submitted to the OVC. As a result, based on the language of the special condition it appeared that the Ohio AG did not comply with the special condition because it reported demographic data to the OVC that was not collected from claimants voluntarily.

However, according to OJP officials, the special condition was not intended to limit data collected by the states; rather, states are permitted to collect any data deemed necessary to process applications. OJP further stated that the purpose of the special condition was to collect demographic information if the state collected such information and that the phrase “where such information is voluntarily furnished by those receiving compensation” was meant to express a presumption that such collection would be voluntary. An OJP official stated that OVC recently removed this special condition and it is no longer included for victim compensation awards. As a result, we are not making a recommendation in this area.

### **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 the Ohio AG's financial management of the VOCA victim compensation grants, we reviewed the process the Ohio AG used to administer these funds by examining expenditures charged to the grants, subsequent drawdown requests, and resulting financial reports. To further evaluate the Ohio AG's financial management of the VOCA victim compensation grants, we also reviewed the Single Audit Reports for FYs 2017 through 2019 and did not identify any significant deficiencies or material weaknesses specifically related to the Ohio AG. We also interviewed Ohio AG personnel who were responsible for financial aspects of the grants, reviewed Ohio AG 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 the Ohio AG implemented adequate controls over payments to claimants and ensured expenditures were correctly reported in the federal financial reports. However, we found that the Ohio AG could improve its policy related to records retention, as well as develop a strategy regarding liabilities

held against its victim compensation program. In addition, the Ohio AG needs to improve its drawdown process by basing drawdowns on actual expenses instead of estimated amounts. Finally, as previously stated we believe the Ohio AG should revise its policies to clarify instances when a claimant may receive multiple awards related to the same criminal incident to ensure that awards are adjudicated equitably and consistently with the state code.

### *Grant Expenditures*

State administering agency VOCA compensation expenses normally fall into two overarching categories: (1) compensation claim payments – which constitute the vast majority of total expenses, and (2) administrative expenses – which are allowed to total up to 5 percent of each award. However, the Ohio AG did not charge any administrative expenses to the grant during our review period. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of victim compensation claim payments by reviewing accounting records and verifying support for selected transactions.

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

To evaluate the Ohio AG's financial controls over these VOCA victim compensation grant expenditures, we reviewed victim compensation claims to determine whether the payments were accurate, allowable, timely, and in accordance with the policies of the VOCA Guidelines, the Crime Victim Services Section Compliance Policy and Procedures 2020, and the Ohio Revised Code. We reviewed a judgmental sample of 75 approved claims totaling \$1,878,414, as well as 30 denied and appealed claims. The sample included 25 approved claims and 10 denied and appealed claims from each of the three audited grants. The transactions we reviewed included costs in the following categories: attorney fees, crime scene cleanup, clothing, civil protection orders, economic support, funeral expenses, medical and dental costs, mental health expenses, and travel. We reviewed documents used in determining claimant eligibility, as well as support for amounts the Ohio AG determined a claimant would be awarded.

Based on our testing, we determined that the expenditures were generally allowable, supported by adequate documentation, and approved in accordance with state policies and VOCA Guidelines. Of note, we found that the Ohio AG had a robust policy for processing economic loss claims, and during our review of claims we saw this policy reflected in the Ohio AG's practices. Specifically, this methodology included an examination of all sources of income, including social security benefits, calculations for remaining work years and life expectancy, and actuarial-based tables that served to incorporate changes in rates of pay over time. In addition, for the sample of 30 claims we reviewed that were initially denied and were later appealed, we found that the Ohio AG processed the claims in accordance with state policies and VOCA Guidelines.

However, our claims testing identified a circumstance that we believe requires further attention from the Ohio AG. For one claim in our sample, the Ohio AG was unable to provide supporting documentation for a total of \$49,993 in economic loss compensation paid to the minor dependents of an individual who died as the result of a criminal event. This particular claim was adjudicated in 1992, prior to the Ohio AG administering the victim compensation program, and held in abeyance until the claimants turned 18 years old. According to Section 2743.66(E) of the Ohio Revised Code:

If a person entitled to an award of reparations is under eighteen years of age and if the amount of the award exceeds one thousand dollars, the order providing for the payment of the award shall specify that the award be paid either to the guardian of the estate of the minor appointed pursuant to Chapter 2111. of the Revised Code or to the person or depository designated by the probate court under section 2111.05 of the Revised Code.

The Ohio AG's policies and procedures also state that:

Our office will not issue payment to an estate of a minor child if the guardian of the estate has a disqualifying incident in his or her criminal history. The award will be held in abeyance until an eligible guardian is appointed, or until the minor child reaches the age of majority.

For this claim in our sample involving payments to two minors, the claimants' guardian had a disqualifying incident in their criminal history and therefore the award funds were held and would not be paid until the individuals reached adulthood. The claimants came forward to receive their award well after turning 18 years old. In January 2020, the Ohio AG paid the award using funds from the 2019 grant.

When we requested the records associated with this claim, the Ohio AG provided a court docket with a description of the incident and the award amounts as proof that the claim should be paid.<sup>7</sup> However, the Ohio AG did not provide supporting documentation to show the calculation of the economic loss amounts awarded to the claimants. The Ohio AG stated that this claim was paid based on the state policies covering payments due to minors and the court document detailing the award; one Ohio AG official indicated that additional documentation may have been archived in a records depository. While we do not dispute the payment of the claim, we noted that the Ohio AG records retention policy lacks detail and does not specifically address DOJ guidelines, including that all financial records, supporting documents, statistical records, and all other records pertinent to the award are to be retained for a period of 3 years from the date of submission of the final expenditure report. Therefore, we recommend that OJP require the Ohio AG enhance its policies and procedures to explicitly state that all financial records, supporting documents, statistical records, and all other records pertinent

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<sup>7</sup> The documents provided originated from the Ohio Court of Claims, which previously administered the victim compensation program prior to the organizational restructuring that transferred the program to the Ohio AG in 2000.

to the award are to be retained for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid. This policy should specifically cover documents related to claims that are subject to the state regulations addressing minor-aged claimants and payments to be held in abeyance until those individuals reach the age of majority.

In addition to the above issue concerning records retention, we believe that the Ohio AG should address other areas related to Ohio’s policies for delayed payments to minor claimants. The Ohio regulation that results in claims being approved but with payment being held in abeyance until the claimants turn 18 years old establishes future liabilities that the Ohio AG must consider when administering its program, including the use of federal grant funds. Our sample of 75 approved claims included 3 that were later paid to minor dependents, with the associated approved claims originating between 1992 and 2018.

We spoke with the Ohio AG about these liabilities and Ohio AG officials told us that the last review of the total outstanding amount associated with future payments being held in abeyance was a few years ago. Based on our conversation, the Ohio AG reviewed its records and determined that the total amount of outstanding guardianship claims as of January 2021 was \$5,778,570. We are concerned that the Ohio AG may not be strategically considering the impact of these liabilities on its program, particularly given that the availability of federal and/or state funding in the future is not certain. As such, we also recommend that OJP ensure that the Ohio AG employs a practice of strategic planning and consideration of future liabilities against its victim compensation program.

*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. Table 2 shows the total amount drawn down for each audited grant as of September 22, 2020.

**Table 2**  
**Amount Drawn Down for Each Grant as of September 22, 2020**

<b>Award Number</b>	<b>Total Award</b>	<b>Award Period End Date</b>	<b>Amount Drawn Down</b>	<b>Amount Remaining</b>
2017-VC-GX-0036	\$4,249,000	9/30/20	\$4,249,000	\$0
2018-V1-GX-0029	\$3,299,000	9/30/21	\$3,299,000	\$0
2019-V1-GX-0002	\$4,207,000	9/30/22	\$4,207,000	\$0
<b>Total:</b>	<b>\$11,755,000</b>		<b>\$11,755,000</b>	

Source: OJP

To assess whether the Ohio AG managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in the Ohio AG's accounting system and accompanying financial records. We found that the Ohio AG does not base its drawdowns on actual expenditures. Instead, an Ohio AG official explained that drawdowns are calculated based on an estimate of need. This estimate is determined by reviewing the last year's expenses and current monthly trends. In contrast, we found that the Crime Victim Services Section Compliance Policy and Procedures states that the Ohio AG Financial Specialist Manager should base drawdowns on the total dollar amount expended and historical data in the accounting system. We noted that this policy does not provide more specific details about determining drawdown amounts, including how to identify all amounts expended on the grant to calculate drawdowns based on actual expenditures.

To assess the impact of the Ohio AG's practice of basing drawdown amounts on estimated figures, we compared the actual expenditures on the grant to the amounts drawn down. Generally, the Ohio AG had drawn more than its actual expenditures and therefore experienced periods of having excess cash on hand for all three audited grants. For example, for the 2017 award the Ohio AG began expending federal funds in November 2017 and finished expending federal funds in October 2018. During this period, the Ohio AG carried a balance of excess cash ranging from approximately \$151,000 to \$545,000 for any given time. For the 2018 grant the Ohio AG began expending federal funds in October 2018 and finished expending federal funds in June 2019. During this period, the Ohio AG carried a balance of excess cash at most times and the excess cash reached as high as \$587,000 at one point. Finally, for the 2019 grant, the Ohio AG expended federal funds from October 2019 through September 2020 and during this period carried a balance of excess cash between \$9,000 and \$428,000 at any given time. Although the Ohio AG ultimately expended all federal funds drawn down and the grant accounting records indicate that the cumulative drawdown amounts were appropriate, we noted that the Ohio AG did not utilize the amounts drawn down immediately or within the 10-day limit and therefore the excess amounts are considered advanced funding. To remedy this issue, we recommend that OJP require the Ohio AG to bring its policy in alignment with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses. We further recommend that OJP ensure that the Ohio AG aligns its practice of preparing drawdown requests to be in accordance with its written policies.

We further note that when grantees have excess cash on hand, they may owe interest to the federal government. The DOJ Grants Financial Guide addresses this circumstance as follows:

The Cash Management Improvement Act of 1990 (Public Law No. 101-453) was an amendment to the Intergovernmental Cooperation Act of 1968 (31 USC § 6503). Under the CMIA, States are no longer exempt from returning interest to the Federal Government for drawing down funds prior to the need to pay off obligations incurred. Rather, States are required to pay interest in excess of \$500 per year in the

event that the State draws down funds before the funds are needed to pay for program expenses.

We asked the Ohio AG about whether interest would have been earned on the excess cash and were told that these funds were kept in an interest-bearing account and that the Ohio Office of Budget Management handles matters regarding interest for the state of Ohio. Therefore, we recommend that OJP work with the Ohio AG to determine whether the Ohio AG earned interest in excess of federal limitations and, if so, to determine the amount of interest owed due to excess cash that was on hand in each of the audited grants.

#### *Financial Reporting*

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. To determine whether the Ohio AG submitted accurate Federal Financial Reports (FFR), we compared a sample of reports to the Ohio AG's accounting records for the 2017, 2018, and 2019 grants. We determined that quarterly and cumulative expenditures for the reports reviewed matched the Ohio AG's accounting records.

## **CONCLUSION AND RECOMMENDATIONS**

Based on the results of our audit, we conclude that the Ohio AG used its VOCA funding to compensate victims of crime according to VOCA and state-imposed requirements. The Ohio AG established an adequate claims adjudication process that ensured claims are adjudicated appropriately and fairly. We also found that the Ohio AG generally adhered to state guidance regarding the timely adjudication of claims, although we encourage the Ohio AG to work towards meeting the 120-day timeframe to help ease the financial impact inflicted on victims of violent crime. Further, the Ohio AG accurately reported information on its state certification form, annual performance reports, and federal financial reports. However, we identified several issues related to the management of the Ohio AG's victim compensation program. We found that due to using estimates and not actual expenditures as the basis for requesting federal reimbursement, the Ohio AG miscalculated grant drawdowns, which resulted in excess cash on hand and potentially interest owed. We also found that the Ohio AG did not comply with one special condition that we tested. Further, we identified areas for improvement in the Ohio AG's policies and practices related to conflicts of interest, drawdown procedures, the retention of supporting documentation, and instances when a victim may file multiple claims for the same criminal incident. We provide nine recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure the Ohio AG's internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.
2. Ensure the Ohio AG's internal policy and procedures address conflicts of interest.
3. Ensure the Ohio AG develops formalized policies and procedures for preparing the annual state certification forms.
4. Ensure the Ohio AG establishes policies and procedures to monitor compliance with award special conditions.
5. Require the Ohio AG enhance its policies and procedures to explicitly state, specifically for payments held in abeyance for minor-aged individuals, that all financial records, supporting documents, statistical records, and all other records pertinent to the award are to be retained for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid.
6. Ensure that the Ohio AG employs a practice of strategic planning and consideration for future liabilities against its victim compensation program.

7. Require the Ohio AG to bring its policy in alignment with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses.
8. Ensure that the Ohio AG aligns its practice of preparing drawdown requests to be in accordance with its written policies.
9. Work with the Ohio AG to determine whether the Ohio AG earned interest in excess of federal limitations and, if so, to determine the amount of interest owed due to excess cash that was on hand in each of the audited grants.

### OBJECTIVE, SCOPE, AND METHODOLOGY

#### Objective

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

#### Scope and Methodology

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

This was an audit of Victims of Crime Act (VOCA) victim compensation formula grants 2017-VC-GX-0036, 2018-V1-GX-0029, and 2019-V1-GX-0002 from the Crime Victims Fund (CVF) awarded to the Ohio AG. The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) awarded these grants totaling \$11,755,000 to the Ohio AG, which serves as the state administering agency. Our audit concentrated on, but was not limited to, the period of October 1, 2016, the project start date for VOCA compensation grant number 2017-VC-GX-0036, through January 2021. As of September 22, 2020, the Ohio AG had drawn down a total of \$11,755,000 from the three audited grants. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner.

To accomplish our objective, we tested compliance with what we considered to be the most important conditions of the Ohio AG's activities related to the audited grants, which included conducting interviews with state of Ohio financial staff, examining policies and procedures, and reviewing grant documentation and financial records. We performed sample-based audit testing for victim compensation payments, denied claims, and appealed claims, as well as performance reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The authorizing VOCA legislation, the VOCA compensation program guidelines, the DOJ Grants Financial Guide, state compensation criteria, and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from OJP’s Grants Management System as well as the Ohio AG 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 the Ohio AG to provide assurance on its internal control structure as a whole. Ohio AG 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 the Ohio AG’s internal control structure as a whole, we offer this statement solely for the information and use of the Ohio AG and the OVC.<sup>8</sup>

In planning and performing our audit, we identified the following internal control components and underlying internal control principles as significant to the audit objective(s):

Internal Control Components & Principles Significant to the Audit Objectives	
<b>Control Activity Principles</b>	
	Management should design control activities to achieve objectives and respond to risks.
	Management should design the entity’s information system and related control activities to achieve objectives and respond to risks.
	Management should implement control activities through policies.
<b>Information &amp; Communication Principles</b>	
	Management should use quality information to achieve the entity’s objectives.

We assessed the design, implementation, and/or operating effectiveness of these internal controls and identified deficiencies that we believe could affect the Ohio AG’s ability to ensure compliance with laws and regulations. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

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<sup>8</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

**U.S. DEPARTMENT OF JUSTICE  
OFFICE OF JUSTICE PROGRAMS  
RESPONSE TO THE DRAFT AUDIT REPORT**



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

March 18, 2021

MEMORANDUM TO: Carol S. Taraszka  
Regional Audit Manager  
Chicago 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 Compensation Grants Awarded to the Ohio Attorney General, Columbus, Ohio*

This memorandum is in reference to your correspondence, dated February 16, 2021, transmitting the above-referenced draft audit report for the Ohio Attorney General (Ohio AG). We consider the subject report resolved and request written acceptance of this action from your office.

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

1. **We recommend that OJP ensure the Ohio AG's internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that its internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.

- 2. We recommend that OJP ensure the Ohio AG's internal policy and procedures address conflicts of interest.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that conflicts of interest, pertaining to employees processing victim compensation claims, are properly addressed.

- 3. We recommend that OJP ensure the Ohio AG develops formalized policies and procedures for preparing the annual state certification forms.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that its Crime Victim Compensation State Certification Forms are complete and accurate, and the supporting documentation is maintained for future auditing purposes.

- 4. We recommend that OJP ensure the Ohio AG establishes policies and procedures to monitor compliance with award special conditions.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that compliance with award special conditions is adequately monitored.

- 5. We recommend that OJP require the Ohio AG [to] enhance its policies and procedures to explicitly state, specifically for payments held in abeyance for minor-aged individuals, that all financial records, supporting documents, statistical records, and all other records pertinent to the award for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of its revised policies and procedures, to ensure that supporting documents (e.g., all financial records, statistical records, and all other records pertinent to the award), related to payments held in abeyance for minor-aged individuals, are properly maintained for a period of three years from the date of submission of the final expenditure report for the grant from which the award was paid.

- 6. We recommend that OJP ensure that the Ohio AG employs a practice of strategic planning and consideration for future liabilities against its victim compensation program.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that they include provisions for strategic planning and consideration on the impact of future liabilities against its Victim Compensation Program.

7. **We recommend that OJP require the Ohio AG to bring its policy in alignment with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of its revised policies and procedures, to ensure that its cash management policies and procedures are compliant with the requirements of the Department of Justice (DOJ) Grants Financial Guide, which restrict requests for Federal grant funds to the minimum amounts needed for disbursements to be made immediately, or within the next 10 days of draw down.

8. **We recommend that OJP ensure that the Ohio AG aligns its practice of preparing drawdown requests to be in accordance with its written policies.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain a copy of its revised procedures, for ensuring that its drawdown requests are made in accordance with its written policies, and are compliant with DOJ requirements.

9. **We recommend that OJP work with the Ohio AG to determine whether the Ohio AG earned interest in excess of federal limitations and, if so, to determine the amount of interest owed due to excess cash that was on hand in each of the audited grants.**

OJP agrees with the recommendation. We will coordinate with the Ohio AG to obtain additional information regarding the circumstances surrounding its maintenance of excess cash, and determine whether it earned interest in excess of Federal limitations; and, if so, determine the amount of interest owed due to excess cash that was on hand in each of the audited grants.

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

cc: Maureen A. Henneberg  
Acting Assistant Attorney General

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

Lara Allen  
Senior Advisor  
Office of the Assistant Attorney General

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

cc: Katherine Darke Schmitt  
Acting Director  
Office for Victims of Crime

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Deputy Director  
Office for Victims of Crime

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Acting Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

Jorge L. Sosa  
Director, Office of Operations – Audit Division  
Office of the Inspector General

OJP Executive Secretariat  
Control Number IT20210217091324

**OHIO ATTORNEY GENERAL  
RESPONSE TO THE DRAFT AUDIT REPORT**



**DAVE YOST**  
OHIO ATTORNEY GENERAL

Crime Victim Services  
Office 614-644-8392  
Fax 877-639-7608-

March 9, 2021

Carol S. Taraszka  
U.S. Department of Justice  
Office of Justice Programs  
Office of Audit, Assessment, and Management  
Washington D.C. 20531

Ms. Taraszka:

The Ohio Attorney General is providing as requested our response to the recently completed OIG audit of Ohio's Crime Compensation Program. Listed below is our concurrence to each of the recommendations:

OIG Recommendations

1. Ensure the Ohio AG's internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims. Concur: The Ohio AG will clarify its policy around individuals entitled to multiple claims keeping within the Ohio Revised Code.
2. Ensure the Ohio AG's internal policy and procedures address conflicts of interest. Concur: The Ohio AG will clarify internal policy related to conflicts of interest and how to avoid them.
3. Ensure the Ohio AG develops formalized policies and procedures for preparing the annual state certification forms. Concur: The Ohio AG will complete specified direction and policy related to completing annual state certification form.
4. Ensure the Ohio AG establishes policies and procedures to monitor compliance with award special conditions. Concur: The Ohio AG will adapt policies to ensure compliance with award special conditions.
5. Require the Ohio AG enhance its policies and procedures to explicitly state, specifically for payments held in abeyance for minor-aged individuals, that all financial records, supporting documents, statistical records, and all other records pertinent to the award for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid. Concur: The Ohio AG respectfully request that recommendation 5 and 6 be combined

as a review and plan for liabilities for minor children apply to both. Ohio AG will enhance policies and procedures for payments held in abeyance for minor-aged children.

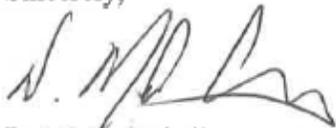
6. Ensure that the Ohio AG employs a practice of strategic planning and consideration for future liabilities against its victim compensation program. Please review above comments

7. Require the Ohio AG to bring its policy in alignment with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses. Concur: Ohio AG request that recommendations 7,8, and 9 be combined as it addresses the same issue. The Ohio AG has changed its drawdown process to reflect expenditures and not historical data. The policies and procedures will be updated and address all three suggested recommendations which we believe are related to the same practice.

8. Ensure that the Ohio AG aligns its practice of preparing drawdown requests to be in accordance with its written policies. Please review comments in number 7.

9. Work with the Ohio AG to determine whether the Ohio AG earned interest in excess of federal limitations and, if so, to determine the amount of interest owed due to excess cash that was on hand in each of the audited grants. Please review comments in number 7.

Sincerely,



D. Michael Sheline  
Section Chief  
Crime Victims Services  
Ohio Attorney General

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

The OIG provided a draft of this audit report to the Department of Justice Office of Justice Programs (OJP) and the Ohio Attorney General (Ohio AG). OJP's response is incorporated in Appendix 2, and the Ohio AG's response is incorporated in Appendix 3 of this final report. In response to our draft audit report, OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

**Recommendations for OJP:**

- 1. Ensure the Ohio AG's internal policy and guidance better address situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure the Ohio AG's internal policy and guidance better addresses situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.

The Ohio AG concurred with our recommendation and stated in its response that it will clarify its policy related to individuals entitled to multiple claims.

This recommendation can be closed when we receive evidence that the Ohio AG's internal policy and guidance better addresses situations in which one individual is entitled to submit multiple claims related to the same criminal incident that impacted multiple victims.

- 2. Ensure the Ohio AG's internal policy and procedures address conflicts of interest.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that conflicts of interest are properly addressed.

The Ohio AG concurred with our recommendation and stated in its response that it will clarify its internal policy related to conflicts of interest and how to avoid such conflicts.

This recommendation can be closed when we receive evidence that the Ohio AG's internal policy and procedures address conflicts of interest.

**3. Ensure the Ohio AG develops formalized policies and procedures for preparing the annual state certification forms.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that the Ohio AG's state certification forms are complete and accurate.

The Ohio AG concurred with our recommendation and stated in its response that will take action to develop policy and procedures related to completing the annual state certification form.

This recommendation can be closed when we receive evidence that the Ohio AG has developed and formalized policies and procedures for preparing annual state certification forms.

**4. Ensure the Ohio AG establishes policies and procedures to monitor compliance with award special conditions.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of written policies and procedures, developed and implemented, to ensure that compliance with award special conditions is adequately monitored.

The Ohio AG concurred with our recommendation and stated in its response that it will adapt its policies to ensure compliance with award special conditions.

This recommendation can be closed when we receive evidence that the Ohio AG has established policies and procedures to monitor compliance with award special conditions.

**5. Require the Ohio AG enhance its policies and procedures to explicitly state, specifically for payments held in abeyance for minor-aged individuals, that all financial records, supporting documents, statistical records, and all other records pertinent to the award are to be retained for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will require the Ohio AG to obtain a copy of its revised policies and procedures to ensure that all supporting documents related to payments held in abeyance for minor-aged individuals are properly maintained for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid.

The Ohio AG concurred with our recommendation and stated that it will enhance its policies and procedures for payments held in abeyance for minors.

This recommendation can be closed when we receive evidence that the Ohio AG has enhanced its policies and procedures to explicitly state, specifically for payments held in abeyance for minor-aged individuals, that all financial records, supporting documents, statistical records, and all other records pertinent to the award are to be retained for a period of 3 years from the date of submission of the final expenditure report for the grant from which the award was paid.

**6. Ensure that the Ohio AG employs a practice of strategic planning and consideration for future liabilities against its victim compensation program.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of policies and procedures, developed and implemented, to ensure the inclusion of provisions for strategic planning and consideration for future liabilities against its victim compensation program.

The Ohio AG's response to recommendation number 6 references its response to recommendation 5, with which it concurred. As a response to both recommendations, the Ohio AG stated that it will enhance policies and procedures for payments held in abeyance for minor-aged children.

This recommendation can be closed when we receive evidence that the Ohio AG has established a practice of strategic planning and consideration for future liabilities against its victim compensation program.

**7. Require the Ohio AG to bring its policy in alignment with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of its revised policies and procedures to ensure that its cash management policies and procedures are compliant with the requirements of the DOJ Grants Financial Guide, which restrict requests for federal grant funds to the minimum amounts needed for disbursements to be made immediately or within the next 10 days of draw down.

The Ohio AG concurred with our recommendation and its response combines recommendations 7, 8, and 9, which all relate to drawdowns. The Ohio AG stated that it has changed its drawdown process to reflect expenditures and not historical data. Further, the Ohio AG responded that its policies and procedures will be updated and will address recommendations 7, 8, and 9.

This recommendation can be closed when we receive evidence that Ohio AG has aligned its policy with DOJ guidance requiring drawdowns to be based on actual or planned expenditures within the next 10 days and not on estimated amounts from historical expenses.

**8. Ensure that the Ohio AG aligns its practice of preparing drawdown requests to be in accordance with its written policies.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain a copy of its revised procedures for ensuring that the Ohio AG's drawdown requests are made in accordance with its written policies and are compliant with DOJ requirements.

The Ohio AG's response to recommendation number 8 references its response to recommendation 7, with which it concurred. As a response to final three recommendations, the Ohio AG stated that it has changed its drawdown process to reflect expenditures and not historical data and will update its policies and procedures to address recommendations 7, 8, and 9.

This recommendation can be closed when we receive evidence that the Ohio AG has aligned its practice of preparing drawdown requests to be in accordance with its written policies.

**9. Work with the Ohio AG to determine whether the Ohio AG earned interest in excess of federal limitations and, if so, to determine the amount of interest owed due to excess cash that was on hand in each of the audited grants.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Ohio AG to obtain additional information regarding circumstances surrounding its maintenance of excess cash, determine whether the Ohio AG earned interest in excess of federal limitations, and if appropriate, determine the amount of interest owed.

The Ohio AG's response to recommendation number 9 references its response to recommendation 7, with which it concurred. As a response to final three recommendations, the Ohio AG stated that it will update its policies and procedures to address recommendations 7, 8, and 9.

This recommendation can be closed when we receive evidence that OJP has worked with the Ohio AG to determine if there was any interest earned from the excess drawdown and the amount any interest owed due to excess cash that was on hand in each of the audited grants.