



Audit of the Office of Justice Programs Victim  
Assistance Funds Subawarded by the Wisconsin  
Department of Justice to CAP Services,  
Incorporated, Stevens Point, Wisconsin



AUDIT DIVISION

23-096

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**AUGUST 2023**

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# EXECUTIVE SUMMARY

## **Audit of the Office of Justice Programs Victim Assistance Funds Subawarded by the Wisconsin Department of Justice to CAP Services, Incorporated, Stevens Point, Wisconsin**

### **Background**

The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP) provided funds to the Wisconsin Department of Justice to make subawards to support victim assistance programs in the state of Wisconsin. The Wisconsin Department of Justice awarded \$1,708,145 in crime victim assistance funds to CAP Services, Incorporated (CAP Services), under three separate subawards between October 2021 and October 2022. The purposes of two of the subawards were to provide services to victims of crime to include counseling, shelter, medical and court accompaniment, and assistance with crime victim compensation applications. The other subaward was focused solely on providing victim-based services to members of the local minority community. As of December 31, 2022, the Wisconsin Department of Justice had reimbursed CAP Services a total of \$1,114,597 for the subawards we reviewed.

### **Audit Objective**

The objective of this DOJ Office of the Inspector General audit was to review how CAP Services used these Victims of Crime Act (VOCA) funds to assist crime victims and assess whether it accounted for these funds in compliance with select award requirements, terms, and conditions.

### **Summary of Audit Results**

Based upon our testing, we concluded that CAP Services used VOCA funds appropriately to provide services to victims of domestic violence and sexual assault and accounted for the funds in compliance with certain award requirements, terms, and conditions. We provided a draft report to CAP Services, the Wisconsin Department of Justice, and OJP officials. Though our report does not have any recommendations, OJP provided a response. This response can be found in Appendix 2. CAP Services and Wisconsin Department of Justice elected not to provide a written response.

### **Program Performance Accomplishments**

We found no indications that CAP Services was not providing services, such as counseling, medical and court accompaniment, and shelter, to victims of domestic violence and sexual assault.

### **Financial Management**

We determined that CAP Services implemented adequate financial management controls and properly spent tested VOCA funds on allowable subaward costs.

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## Introduction

The Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of victim assistance funds received by CAP Services, Incorporated (CAP Services), which is located in Stevens Point, Wisconsin. The Office of Justice Programs (OJP) Office for Victims of Crime (OVC) provided this funding to the Wisconsin Department of Justice, which serves as the state administering agency (SAA) for Wisconsin and makes subawards to direct service providers. As a direct service provider, CAP Services received three subawards from the Wisconsin Department of Justice totaling \$1,708,145 between October 2021 and October 2022. These funds originated from the Wisconsin Department of Justice’s fiscal year (FY) 2020 federal grant 2020-V2-GX-0009, as shown in Table 1.

**Table 1**

**Audited Subawards to CAP Services from the Wisconsin Department of Justice**

Wisconsin Department of Justice Subaward Identifier	OJP Prime Award Number	Project Start Date	Project End Date	Subaward Amount
2020-VO-01-16662	2020-V2-GX-0009	10/01/2021	09/30/2022	\$858,530
2020-VO-01-16964	2020-V2-GX-0009	10/01/2021	09/30/2022	\$77,365
2020/2021-VO/VO-01-17355	2020-V2-GX-0009	10/01/2022	09/30/2023	\$772,250
<b>Total:</b>				<b>\$1,708,145</b>

Source: JustGrants, the Wisconsin Department of Justice, and CAP Services

Established by the Victims of Crime Act (VOCA) of 1984, the Crime Victims Fund (CVF) is used to support crime victims through DOJ programs and state and local victim assistance and compensation initiatives.<sup>1</sup> According to OJP’s program guidelines, victim assistance services eligible to receive VOCA support must: (1) respond to the emotional and physical needs of crime victims, (2) assist 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. Direct service providers receiving VOCA victim assistance subawards thus may provide a variety of support to victims of crime, to include offering help filing restraining orders, counseling in crises arising from the occurrence of crime, crisis intervention, and emergency shelter.

### CAP Services

CAP Services, founded in 1966, is a non-profit organization with headquarters in Stevens Point, Wisconsin, whose mission is to transform people and communities to advance social and economic justice. According to its website, CAP Services focuses on the development and mobilization of a variety of programs and resources to assist low-income individuals. CAP Services provides multiple services for victims of domestic

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<sup>1</sup> The VOCA Victim Assistance Formula Grant Program is funded under 34 U.S.C. § 20101. Federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments support the CVF. The total amount of funds that the OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress.

violence and sexual assault, including individual counseling, medical and court accompaniment, shelter, and assistance with obtaining crime victim compensation.

## **OIG Audit Approach**

The objective of this audit was to review how CAP Services used the VOCA funds received through subawards from the Wisconsin Department of Justice to assist crime victims and to assess whether CAP Services accounted for VOCA funds in compliance with select subaward requirements, terms, and conditions. To accomplish this objective, we assessed program performance and accomplishments and financial management.

To gain a further understanding of victim assistance subaward oversight, as well as to evaluate subrecipient performance and administration of VOCA-funded programs, we solicited feedback from Wisconsin Department of Justice officials regarding CAP Services' record of delivering crime victim services, accomplishments, and compliance with Wisconsin Department of Justice award requirements.<sup>2</sup>

We tested compliance with what we considered to be the most important conditions of the subawards. The DOJ Grants Financial Guide; VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Wisconsin Department of Justice guidance; and the OVC and SAA award documents contain the primary criteria we applied during this audit.

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

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<sup>2</sup> As an SAA, the Wisconsin Department of Justice is responsible for ensuring that CAP Services' subawards are used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subawards; and that subaward performance goals are achieved. As such, we considered the results of our audit of victim assistance grants awarded to the Wisconsin Department of Justice in performing this separate review. See U.S. Department of Justice Office of the Inspector General, [Audit of the Office of Justice Programs Victim Assistance Grants Awarded to the Wisconsin Department of Justice, Madison, Wisconsin](#), Audit Report GR-50-1-003 (August 2019), [oig.justice.gov/reports/audit-office-justice-programs-victim-assistance-grants-awarded-wisconsin-department](https://oig.justice.gov/reports/audit-office-justice-programs-victim-assistance-grants-awarded-wisconsin-department).

# Audit Results

## Program Performance and Accomplishments

As established by the VOCA legislation, VOCA subawards are available to subrecipients for the purpose of providing direct services to victims. CAP Services received two VOCA subawards between October 2021 and October 2022 from the Wisconsin Department of Justice to provide multiple services for victims of domestic violence and sexual assault, including individual counseling, medical and court accompaniment, shelter, and assistance with obtaining crime victim compensation. CAP Services also received a separate subaward in October 2021 from the Wisconsin Department of Justice to provide the local Hmong community bilingual and culturally appropriate criminal justice assistance, emergency legal and personal advocacy, support groups, and assistance with completing crime victim compensation applications.<sup>3</sup> We obtained an understanding of CAP Services' standard operating procedures in relation to the subaward-funded services. We also compared the subawards' solicitations, applications, and subaward agreements against available evidence of accomplishments to determine whether CAP Services demonstrated adequate progress towards providing the services for which it was funded. Overall, we concluded that CAP Services adhered to its subaward goals, and we did not identify any instances of non-compliance.

## Program Implementation

According to the DOJ Grants Financial Guide, recipients of federal awards should maintain a well-designed and tested system of internal controls. The DOJ Grants Financial Guide further defines internal controls as a process designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) reliability of reporting for internal and external use, and (3) compliance with applicable laws and regulations.

To obtain an understanding of its standard operating procedures, including internal controls, in relation to audited victim services, we reviewed CAP Services' written policies and procedures that govern the VOCA-funded programs. We also conducted interviews with the CAP Services' Family Crisis Center Services Director, Chief Financial Officer, and multiple staff members. These individuals informed us of CAP Services' program operations and procedures. Based on the interviews conducted and policies reviewed, we found that CAP Services had adequate internal controls in place to appropriately deliver services to victims of crime.

## Program Services

According to two of the subawards, CAP Services was to provide multiple services for victims of domestic violence and sexual assault, while the other subaward was to provide crime victim assistance to the local Hmong community. To verify CAP Services provided such services, we interviewed program staff, visited three CAP Services locations, and reviewed multiple metrics in two performance reports, along with associated supporting documentation. Based upon our review and observations, we found no indications

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<sup>3</sup> The Hmong are an ethnic group from Southeast Asia with a specific culture and language. They are the largest Asian American ethnic group in the state of Wisconsin, and there is a large population of Hmong in the local area to which CAP Services provided targeted assistance.

that CAP Services was not providing the aforementioned services to victims of domestic violence and sexual assault.

## **Financial Management**

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for awarded funds. We interviewed CAP Services' Chief Financial Officer; examined policies; reviewed award documents, Wisconsin Department of Justice oversight documentation, and 2 years of single audits; and performed expenditure testing to determine whether CAP Services adequately accounted for the subaward funds we audited. Overall, we determined that CAP Services appropriately managed its finances related to the subawards and properly accounted for and documented the subaward expenditures we reviewed.

## **Fiscal Policies and Procedures**

To test fiscal policies and procedures, we reviewed CAP Services' policies related to subaward fiscal oversight, spoke with CAP Services' officials regarding financial procedures, and verified the execution of activities in accordance with the financial procedures. We found that CAP Services' policies, procedures, and systems allow it to account for federal funds and track expenditures.

## **Subaward Expenditures**

CAP Services requests reimbursement for its grant-funded expenditures by submitting a report each month in the Wisconsin Department of Justice's electronic grants management system. For the subawards we audited, CAP Services' approved budgets included personnel expenditures, employee benefits, staff development, travel, supplies, operating expenses, other costs, and indirect costs. As of December 31, 2022, we found that the Wisconsin Department of Justice reimbursed CAP Services a total of \$1,114,597 in VOCA victim assistance funds for costs incurred in the budgeted areas.<sup>4</sup>

We reviewed a sample of CAP Services' transactions, from various budget categories, to determine whether the costs charged to the projects and paid with VOCA funds were accurate, allowable, supported, and in accordance with the VOCA program requirements. We judgmentally selected 30 non-personnel transactions totaling \$36,890. For personnel transactions, we judgmentally selected two employees for each subaward we audited and tested their personnel transactions in two non-consecutive pay periods, representing total costs of \$56,477. We found that all transactions we tested were allowable, adequately supported, and complied with subaward requirements.

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<sup>4</sup> Following guidance from the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, the Wisconsin Department of Justice allowed its subrecipients to waive the requirement to provide matching funds from non-federal sources. Therefore, we did not perform testing in this area except for verifying that the waiver was provided and in place for the life of the subawards we audited.

## **Conclusion**

As a result of our audit testing, we concluded that CAP Services used VOCA funds received through three subawards from the Wisconsin Department of Justice to provide services to victims of domestic violence and sexual assault, including to members of the Hmong community. The services provided included individual counseling, medical and court accompaniment, shelter, and assistance with obtaining crime victim compensation. We also found that all tested expenditures were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and select terms and conditions of the subawards. Additionally, we found that CAP Services adhered to guidance related to program performance and accomplishments and grant financial management. Therefore, we do not make any recommendations in this report.



# **APPENDIX 1: Objective, Scope, and Methodology**

## **Objective**

The objective of this audit was to review how CAP Services, Incorporated (CAP Services) used Victims of Crime Act (VOCA) funds received through three subawards from the Wisconsin Department of Justice to assist crime victims and assess whether CAP Services accounted for VOCA funds in compliance with select subaward requirements, terms, and conditions. To accomplish this objective, we assessed program performance and accomplishments and 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 three subawards to CAP Services. These subawards, totaling \$1,708,145 and awarded between October 2021 and October 2022, were funded by the Wisconsin Department of Justice from primary VOCA grant 2020-V2-GX-0009 awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC). As of December 31, 2022, the Wisconsin Department of Justice had reimbursed CAP Services \$1,114,597 in subaward funds.

Our audit concentrated on, but was not limited to, the period of October 2021 through December 2022. The Department of Justice (DOJ) Grants Financial Guide; the VOCA Guidelines and Final Rule; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Wisconsin Department of Justice guidance; and the OVC and Wisconsin Department of Justice award documents contain the primary criteria we applied during the audit.

To accomplish our objective, we tested compliance with what we considered to be the most important conditions of CAP Services' activities related to the audited subawards. Our work included conducting interviews with CAP Services' officials and staff, examining policies and procedures, and reviewing subaward documentation and financial records. We performed sample-based audit testing for subaward expenditures and victim services. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the subawards we reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

During our audit, we obtained information from DOJ's JustGrants system, as well as CAP Services' case management and accounting systems 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 were verified with documentation from other sources.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of CAP Services to provide assurance on its internal control structure as a whole. CAP Services' 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 CAP Services' internal control structure as a whole, we offer this statement solely for the information and use of CAP Services, the Wisconsin Department of Justice, and OJP.<sup>5</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we assessed the design and implementation of CAP Services' policies and procedures. We also tested the implementation and operating effectiveness of specific controls over subaward execution and compliance with laws and regulations in our audit scope.

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<sup>5</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

## APPENDIX 2: The Office of Justice Programs Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

August 10, 2023

MEMORANDUM TO: Todd A. Anderson  
Regional Audit Manager  
Chicago Regional Audit Office  
Office of the Inspector General

FROM: Jeffery A. Haley *Jeffery A. Haley*  
Deputy Director, Audit and Review Division

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, Victim Assistance Funds Subwarded by the Wisconsin Department of Justice to CAP Services, Incorporated, Stevens Point, Wisconsin*

This memorandum is in response to your correspondence, dated July 26, 2023, transmitting the subject draft audit report for CAP Services, Incorporated (CAP Services). CAP Services received sub-award funds from the Wisconsin Department of Justice, under the Office of Justice Programs' (OJP), Victims of Crime Act, Victim Assistance Formula Grant Program, Grant Number 2020-V2-GX-0009. The draft audit report does not contain any recommendations directed to OJP. Accordingly, 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 Linda J. Taylor, Lead Auditor, Audit Coordination Branch, Audit and Review Division, on (202) 514-7270.

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