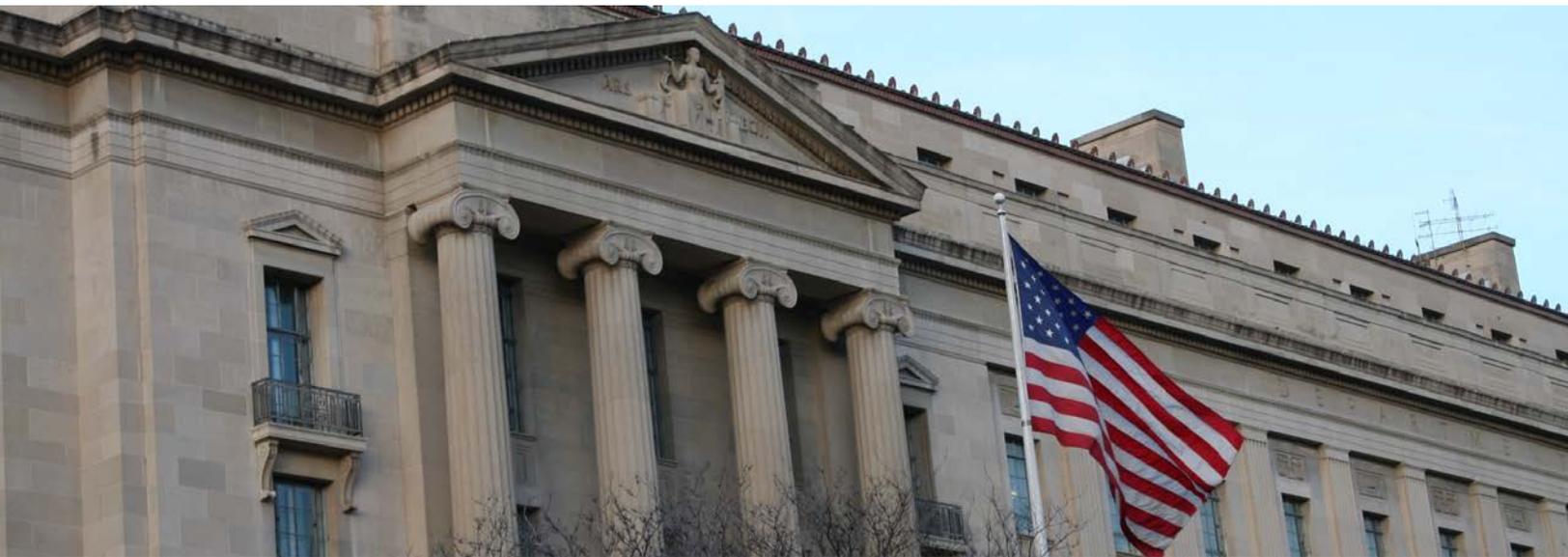




Office of the Inspector General
U.S. Department of Justice

OVERSIGHT ★ INTEGRITY ★ GUIDANCE



Audit of the Office of Justice Programs
Victim Compensation Grants
Awarded to the Missouri
Department of Public Safety,
Jefferson City, Missouri



Executive Summary

Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the Missouri Department of Public Safety, Jefferson City, Missouri

Objective

The objective of the audit was to evaluate how the Missouri Department of Public Safety (Missouri DPS) 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 Missouri DPS used and managed the audited Victims of Crime Act (VOCA) funding to enhance its victim compensation program. However, we identified several areas requiring improvement. Specifically, we identified errors in the state certification forms submitted during our review period, one of which if not corrected could lead to the Missouri DPS being improperly awarded an excess amount of \$19,987 in a future grant. We also found that in 22 of the 90 approved claims we reviewed, the Missouri DPS claim file did not contain adequate documentation to support the claimants' eligibility for the compensation claim. In these cases, we found that police reports or other relevant information were missing and, as a result, we questioned \$282,606 as unsupported. We also identified issues with the annual performance reports and the Missouri DPS's policies and procedures.

Recommendations

Our report contains eight recommendations to the Office of Justice Programs (OJP) to remedy our dollar-related findings and to assist the Missouri DPS in improving its grant management and administration of crime victim compensation funding. We provided our draft audit report to the Missouri DPS and OJP, and their responses can be found in Appendices 3 and 4, respectively. Our analysis of those responses is included in Appendix 5.

Audit Results

The U.S. Department of Justice Office of the Inspector General completed an audit of three VOCA victim compensation formula grants awarded by OJP's Office for Victims of Crime (OVC) to the Missouri DPS in Jefferson City, Missouri. OVC awarded these formula grants, totaling \$6,513,000 from fiscal years (FY) 2014 to 2016, from the Crime Victims Fund (CVF) to provide financial support through the payment of compensation benefits to crime victims throughout Missouri. As of December 2018, the Missouri DPS drew down a cumulative amount of \$4,652,328 for all of the grants we reviewed.

Program Overview – The Missouri DPS used and managed its VOCA funding to enhance services for crime victims by planning for and distributing the VOCA funding it received.

Excess Funds Awarded – We found errors in each of the three state certification forms we reviewed. As the reported amounts are used for calculating future VOCA awards, these errors caused the Missouri DPS to be over and under-awarded incorrect amounts in the subsequent years. The errors we identified in the 2017 certification form could, if not corrected, result in an excess award of \$19,987 for the FY 2019 grant.

Claimant Eligibility – To be eligible for crime victim compensation in Missouri, victims must meet several criteria, including reporting the crime promptly and not contributing to their own victimization. Among the 90 approved claims we reviewed, we found that 22 did not contain sufficient documentation to determine if the victim claimant met eligibility criteria. As a result, we questioned as unsupported compensation claim payments totaling \$282,606.

Performance Reports – The Missouri DPS could only provide support for the four most recent quarterly performance reports. For one of the reports, victim compensation payments were overstated by \$1,581.

Policies and Procedures – We identified concerns with the Missouri DPS's policies and procedures related to public outreach and conflicts of interest.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS
VICTIM COMPENSATION GRANTS AWARDED TO
THE MISSOURI DEPARTMENT OF PUBLIC SAFETY,
JEFFERSON CITY, MISSOURI**

TABLE OF CONTENTS

INTRODUCTION	1
The Grantee	2
OIG Audit Approach	2
AUDIT RESULTS.....	3
Grant Program Planning and Execution	3
Program Implementation	3
Annual State Certification	5
Program Requirements and Performance Reporting	8
Annual Performance Reports	8
Compliance with Special Conditions.....	9
Grant Financial Management	10
Grant Expenditures	10
Drawdowns.....	14
Financial Reporting	14
CONCLUSION AND RECOMMENDATIONS.....	15
APPENDIX 1: OBJECTIVE, SCOPE, AND METHODOLOGY.....	16
APPENDIX 2: SCHEDULE OF DOLLAR-RELATED FINDINGS.....	18
APPENDIX 3: MISSOURI DEPARTMENT OF PUBLIC SAFETY RESPONSE TO THE DRAFT AUDIT REPORT	19
APPENDIX 4: U.S. DEPARTMENT OF JUSTICE OFFICE OF JUSTICE PROGRAMS RESPONSE TO THE DRAFT AUDIT REPORT	23
APPENDIX 5: OFFICE OF THE INSPECTOR GENERAL ANALYSIS AND SUMMARY OF ACTIONS NECESSARY TO CLOSE THE REPORT.....	27

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS
VICTIM COMPENSATION GRANTS AWARDED TO THE
MISSOURI DEPARTMENT OF PUBLIC SAFETY,
JEFFERSON CITY, MISSOURI**

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 Missouri Department of Public Safety (Missouri DPS) in Jefferson City, Missouri. 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) 2014 to 2016, these OVC grants totaled \$6,513,000.¹

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

Award Number	Award Date	Award Period Start Date	Award Period End Date	Award Amount
2014-VC-GX-0013	7/08/2014	10/1/2013	9/30/2017	\$ 2,016,000
2015-VC-GX-0056	9/21/2015	10/1/2014	9/30/2018	2,410,000
2016-VC-GX-0072	9/08/2016	10/1/2015	9/30/2019	2,087,000
Total:				\$ 6,513,000

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.² 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

¹ As of December 2018, the Missouri DPS was still spending from the FY 2016 CVF grant; it had not yet spent any FY 2017 or FY 2018 funds.

² The VOCA victim compensation formula program is funded under 34 U.S.C. § 20102.

physical injury resulting from a compensable crime; and (3) funeral expenses attributable to a death resulting from a compensable crime.³

The Grantee

As the Missouri state administering agency, the Missouri DPS is responsible for administering the VOCA victim compensation program. The mission of the Missouri DPS, which is headed by the Director of Public Safety, is to ensure the safety and security of Missouri's citizens and their property. The Director of Public Safety is a state cabinet-level position appointed by the Governor and confirmed by the Missouri State Senate. The Director is responsible for the Crime Victim Services Unit, which is charged with promoting fair and just treatment of victims of crime and distributing federal and state grant funds to victims of crime.

OIG Audit Approach

The objective of the audit was to evaluate how the Missouri DPS 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 victim compensation program guidelines (VOCA Guidelines), the OJP Financial Guide, and the DOJ Grants Financial Guides as our primary criteria.⁴ We also reviewed relevant Missouri policies and procedures, interviewed the Missouri DPS's personnel to determine how they administered the VOCA funds, and further obtained and reviewed the Missouri DPS's records reflecting grant activity.⁵

³ This program defines criminal violence to include drunk driving and domestic violence.

⁴ The OJP Financial Guide governs the FY 2014 grant in our scope, while the DOJ Grants Financial Guide applies to the FY 2015 and FY 2016 awards.

⁵ 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. Appendix 2 presents a schedule of our dollar-related findings.

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 Missouri DPS's overall process for making victim compensation payments. We assessed the Missouri DPS's policies and procedures for providing compensation payments to victims, as well as the accuracy of the state certification forms.

Overall, we found the Missouri DPS established a program that compensated victims and survivors of criminal violence. However, we identified issues with the Missouri DPS's policies and procedures, efforts to bring awareness to the program, and the accuracy of 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 Missouri, the Missouri DPS was responsible for the victim compensation program, including meeting all financial and programmatic requirements. When paying claims for victims, the Missouri DPS operated under Missouri Revised Statutes Chapter 595, which implemented the state Crime Victim Compensation (CVC) program, and Title 8 of Missouri's Code of State Regulations, section 50-6.010, which conveyed the state-specific policies for the victim compensation program. In assessing the Missouri DPS's implementation of its victim compensation program, we also analyzed policies and procedures governing the decision-making process for individual compensation claims, as well as what efforts the Missouri DPS had made to bring awareness to victims eligible for compensation program benefits.

Overall, we found the Missouri DPS's policies and procedures included adequate segregation of duties for processing claims and awarding compensation, required managerial review of claims payouts and denials, detailed the maximum compensation allowed, identified appropriate processing times for claims, and covered processes for recovering costs, including refunds. However, we found the Missouri DPS's policies to be lacking sufficient detail on identifying and handling conflicts of interest and conducting public outreach.

Program Policy

Based on our review, we found that the Missouri DPS had an established policy for the intake, review, and payment or denial of individual compensation claims that is consistent with federal laws and OJP policy.⁶ Moreover, we reviewed the Missouri DPS's claims appeal process and believe this process offers rejected

⁶ The Grant Expenditures section of the report contains information on matters related to a previous policy of the Missouri DPS that discusses practices for the payment of compensation claims.

claimants a sufficient opportunity for appeal. However, we found that the Missouri DPS did not have a written policy to address potential employee conflicts of interest. While the Missouri DPS Administrative Policy Manual does address employee conduct by mandating that, "...the executive branch of state government must discharge its duties in an independent and impartial manner...", we did not identify state regulations or policies that provide more detail on how to identify or handle apparent, potential, or identified conflicts of interest. When we asked a Missouri DPS claims specialist how they would handle a conflict of interest that arose during the review of a claim (such as a claim specialist knowing a person whose claim they were assigned to review), the specialist told us that they would turn that claim over to someone else to review. Although we believe this would be an appropriate action, there is no requirement in the agency policy for this to occur. We therefore recommend OJP ensure the Missouri DPS updates its policy manual to define conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.

Public Outreach

During our audit, we evaluated the Missouri DPS's efforts to publicize its victim compensation program throughout the state. The Missouri DPS policy in effect during the majority of our review period (policy dates ranging from 2016 through 2018) covered public outreach and stated that Missouri DPS personnel should visit every county and the city of St. Louis once every 4 years for the purpose of outreach education. These policies also required that an "Outreach Log" be maintained to document key personnel contacted and the amount of promotional material distributed during these visits. Further, these policies detailed how the log was to be used to record discussions conducted with court or city clerks about remitting fees and judgements that are deposited into Missouri's crime victim compensation account.

We spoke with the Missouri DPS's Outreach Coordinator, who told us that the Missouri DPS does not have or currently maintain a list of planned outreach visits and does not target locations for outreach efforts. Instead, the Missouri DPS coordinates with various localities across the state when requested by local crime victim organizations and local police agencies. The Coordinator provided us the outreach log, containing a record of the sites visited and dates of visitation, along with what the Coordinator described as a relatively new presentation that is now given to groups that request a visit from the Missouri DPS to learn about the state's CVC program.

When we reviewed the outreach log to determine if the Missouri DPS was in compliance with its own outreach goals to visit every county in the state and the city of St. Louis every 4 years, we found that for the more than 5-year period included in the log, stretching from January 2014 through March 2019, the Missouri DPS recorded outreach to only 27 percent of Missouri counties, plus the city of St. Louis. Thus, it appears that the Missouri DPS accomplished just over a quarter of its outreach goals, even when reviewing an additional year beyond its 4-year goal to visit every county in the state and the city of St. Louis.

We also reviewed the most recent revision to the policy manual, dated April 2019. In the revised manual, the outreach policy still contains an outreach log requirement, but the goal to visit every county and the city of St. Louis every 4 years was removed. In follow-up discussions with the Missouri DPS, we asked about the reason for this revision. We were told that because the Missouri DPS Outreach Office has a variety of options available for outreach, including attending events and conferences, using technology, and making site visits upon request, it was in the best economic interest for the state to reduce physical travel. Based on this response, we also asked about other goals and objectives of the Missouri DPS's outreach efforts and how they evaluate whether their outreach efforts are meeting the identified goals and objectives. The Missouri DPS responded that the program takes notice of correlated after-effects, such as improvements in organizational understanding of the program after receiving presentations or spikes in the use of the program from the same area as recent presentations. However, there are no formal written processes for tracking or evaluating the impact of its outreach education efforts.

Based on this information, we believe the Missouri DPS did not achieve its own CVC outreach goals from 2016 through 2018. While no Federal mandate details the degree to which states should conduct public outreach, and the Missouri DPS policy manual no longer prescribes outreach goals, in subsequent discussions we did not find that the Missouri DPS has developed alternative ways for ensuring the sufficiency or effectiveness of its outreach. As this revision reflects a change from a higher more proactive outreach standard to a more reactive approach, we asked about this revision and were told by the CVC program director that the program would be open to considering alternatives for its outreach efforts. We recommend that OJP coordinate with the Missouri DPS to determine if changes with its outreach education program are necessary to ensure more people throughout the state of Missouri will learn about the CVC program and avail themselves of its benefits.

Annual State Certification

State administering agencies must submit an annual Crime Victim Compensation State Certification Form (certification form), which provides OJP 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. OJP 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.⁷ The accuracy of the information provided in the certification form is critical

⁷ 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.

to OJP's correct calculation of the victim compensation award amounts granted to each state.

We reviewed the annual certification forms submitted by the Missouri DPS to OVC for FYs 2015 through 2017, which are used to calculate the award amounts granted in FYs 2017 through 2019.⁸ Using official accounting records provided by the Missouri DPS, we attempted to reconcile the figures the auditee reported on the three certification forms we reviewed, but we could not verify all of them. We identified variances in the reporting of *Amounts to be Deducted From Total Paid to Crime Victims for VOCA Grant Funds* in both the FY 2015 and FY 2017 certification forms, with both being understated, while *Total Amount Paid to or on behalf of Crime Victims from All Funding Sources* were also understated in the FY 2015 and FY 2016 forms. Further, we found the *Restitution Recoveries* amount to be understated in the FY 2015 submission. These errors led the Missouri DPS to compute incorrect amounts for Total State Payments Eligible to be used by OJP to calculate the corresponding FY VOCA Grant Award in its state-certified forms for each of the fiscal years we reviewed. The Missouri DPS did acknowledge variances in all three certifications, noting the difference found for the FY 2016 certification form (which caused the under award) was more significant than the other identified differences. However, the Missouri DPS did not have any further explanation for how these discrepancies occurred.

As shown in Table 2 that follows, we found that the Missouri DPS over-reported the Total State Payments Eligible to be used by OJP to calculate the VOCA Grant Award amount in FY 2015 and FY 2017, while it under-reported this amount in FY 2016.

⁸ 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.

Table 2

Summary of Errors in the Missouri DPS’s Annual Certification Forms and the OIG’s Recalculation of Formula Awards

State-Certified Eligible Amounts			
	FY 2015 Form	FY 2016 Form	FY 2017 Form
MDPS Certification Form Submission	\$3,089,936	\$3,621,574	\$5,220,360
OIG Calculation based on General Ledger	3,027,431	4,170,948	5,187,048
Difference	\$62,504	(\$549,375)	\$33,312
VOCA Victim Compensation Formula Grant Award Amounts			
	FY 2017 Actual Award	FY 2018 Actual Award	FY 2019 Projected Award
Award Amount	\$1,854,000	\$2,173,000	\$3,132,216
OIG Calculation of Award	1,816,459	2,502,569	3,112,229
Award Amount Difference	\$37,541	(\$329,569)	\$19,987

Source: OIG analysis of the Missouri DPS and OVC documents

Note: Differences in amounts are due to rounding.

The errors in the 2015 certification led to an excess award of \$37,541 in 2017, while the errors in the 2016 certification led to an under-award of \$329,569 in 2018. The Missouri DPS has not yet received its FY 2019 award, which will be based on the amount reported on its 2017 certification form. However, if this error is not corrected, the Missouri DPS could receive an excess FY 2019 award of \$19,987.⁹

In the event of an over certification, the Victim Compensation Grant Program Guidelines state that necessary steps will be taken to recover funds that were awarded in error and that it is the policy of OVC to reduce the amount of the subsequent year VOCA victim compensation award by the amount of the over payment. For under certifications, “OVC and the Office of the Comptroller, OJP, will not supplement payments to the state to correct the state’s error since this would require recalculating allocations to every state VOCA compensation and assistance program and cause disruption in administration of these programs.”

Because the errors resulted in both over certifications and under certifications during the scope of our review, we believe the 2018 certification form, which we did not review, may similarly be impacted. Therefore, we recommend that OJP work with the Missouri DPS to determine if its state certifications for FYs 2015 through 2018 resulted or will result in funds awarded in error, and if so to take the necessary steps to remedy those funds. We also recommend that OJP

⁹ OJP victim compensation grants are rounded to the near thousand dollars when awarded. OIG analysis rounds to the nearest dollar.

ensure the Missouri DPS develops and implements procedures for accurately completing its Crime Victim Compensation State Certification Forms.

Program Requirements and Performance Reporting

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

Based on our overall assessment in the areas of program requirements and performance reporting, we believe that the Missouri DPS: (1) implemented adequate procedures to compile quarterly performance reports, and (2) was not in compliance with one of three special conditions we tested.

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. The reports are submitted through OJP's Grants Management System (GMS). As of FY 2016, OVC also began requiring states to submit quarterly performance data through the web-based Performance Measurement Tool (PMT). After the end of the fiscal year, the state administering agency is required to produce the Annual State Performance Report and load it into GMS.

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.

The DOJ Grants Financial Guide states that recipients must ensure that valid and auditable source documentation is available to support all data collected for each performance measure. To test this, we typically reconcile Annual State Performance Reports with documented performance figures of the victim compensation program. The Missouri DPS told us that due to a recent conversion in internal tracking systems, it was unable to provide supporting documentation for the Annual State Performance Reports it had submitted for FYs 2013 through 2017, but it was able to provide supporting documentation for its four most recent quarterly performance reports. Because we could not verify the data in the Missouri DPS's Annual State Performance Reports, we instead assessed whether the Missouri DPS's quarterly performance reports in PMT could be reconciled to the source documentation reflecting the performance figures of the victim compensation program.

We compared data from the Missouri DPS's internal tracking system to what was reported in the four most recent quarterly performance reports for the period

from January 2018 through December 2018, as shown in Table 3.¹⁰ While we were generally able to reconcile the state’s information to the totals the state reported to the OVC, we found that the Missouri DPS had overstated victim compensation payments for the quarterly report for the second quarter of FY 2018 by \$1,581.

Table 3
Summary from the Missouri DPS
Victim Compensation Performance Measures Reports
For the Period of January 2018 through December 2018

Performance Categories	FY 2018 ^a	FY 2019 ^b
Number of Claims Paid	729	148
Number of Applications Received ^c	1,350	498
Number of Applications Approved	730	148
Number of Applications Denied/Closed	301	80
Reported Total Amount of Claims Paid	\$4,686,159	\$1,010,116
OIG-Verified Total Amount of Claims Paid	\$4,684,578	\$1,010,116
Difference Between Reported and OIG-Verified Total Amount of Claims Paid	\$1,581	\$0

^a Spanning January 2018 – September 2018, FY18 quarters 2, 3 and 4.

^b Spanning October 2018 – December 2018, FY 19 quarter 1.

^c The aggregate number of approved and denied/closed applications does not equal the applications received because at the time of reporting not all of the applications had been adjudicated.

Source: The Missouri DPS

Based on the issues we identified, we recommend that OJP ensure the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.

Compliance with Special Conditions

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

¹⁰ Although this a 12-month period, this span of time consists of the 3 quarters from FY 2018 and 1 quarter from FY 2019 and does not equate to an annual reporting period for performance reports.

We judgmentally selected and reviewed three special conditions in greater detail. The first is the agreement to ensure that at least one key grantee official attends the annual VOCA National Training Conference. The second is for award points of contact to complete OJP financial and grant administration training. The third requires the submission of an Equal Employment Opportunity (EEO) Plan. We reviewed the Missouri DPS's actions related to these three special conditions, and we determined that the Missouri DPS complied with the first two. However, the Missouri DPS was not in compliance with the special condition regarding the submission of an EEO Plan.

In grant application documents dated July 9, 2014, the Missouri DPS certified that it would submit an EEO Plan for approval to the OJP Office for Civil Rights. In a letter dated August 8, 2016, the Missouri DPS was notified by the OJP Office for Civil Rights that the Missouri DPS was not in compliance with this special condition. Following this notification, the Missouri DPS submitted an EEO Plan, bringing the Missouri DPS into compliance on May 9, 2017. The approved EEO Plan was effective until May 9, 2019, and as of June 2019, OJP has not yet received an updated EEO Plan. Because the Missouri DPS has not submitted an updated EEO plan, it is therefore not in compliance with this grant special condition. We recommend that OJP ensure the Missouri DPS submits for approval an updated EEO plan to the OJP Office for Civil Rights.

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 Missouri DPS's financial management of the VOCA victim compensation grants, we reviewed the process the Missouri DPS used to administer these funds by examining expenditures charged to the grants, subsequent drawdown requests, and resulting financial reports. To further evaluate the Missouri DPS's financial management of the VOCA victim compensation grants, we also reviewed the state of Missouri's Single Audit Reports for FYs 2014 through 2017 and did not identify significant deficiencies or material weaknesses specifically related to the Missouri DPS or its CVC program. We also interviewed the Missouri DPS personnel who were responsible for financial aspects of the grants, reviewed the Missouri DPS's written policies and procedures, inspected award documents, and reviewed financial records.

As discussed below, in our overall assessment of grant financial management, we identified weaknesses in the Missouri DPS's internal controls over its process for using grant funds to pay for approved victim claims. Specifically, while we did not confirm instances where ineligible claimants were paid, we did identify problems with how the Missouri DPS verified a victim's eligibility to receive compensation.

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 Missouri DPS did not charge any administrative expenses to the grant during our review period. Therefore, 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.

Victim Compensation Claim Expenditures

Victims of crime in the state of Missouri submit claims for reimbursement of expenses incurred as a result of victimization, such as medical and funeral costs or loss of wages. The Missouri DPS staff adjudicates these claims for eligibility and makes payments from VOCA victim compensation grants and state funding.

To evaluate the Missouri DPS’s financial controls over 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 VOCA and Missouri guidelines. We judgmentally selected 30 approved claims from each of the 3 award years under audit, as shown in Table 4, for a total of 90 approved claims totaling \$896,507; as well as 10 claim denials for each of the 3 award years under audit, for a total of 30 denied claims. The transactions we reviewed included claims for loss of support, medical bills, and funerals.

Table 4
Victim Compensation Claims Reviewed

Grant	Approved Claims	Denied Claims	Total Claims Reviewed
2014-VC-GX-0013	30	10	40
2015-VC-GX-0056	30	10	40
2016-VC-GX-0072	30	10	40
Total:	90	30	120

Source: OIG

While all of the denied claims we tested contained adequate documentation supporting the basis for denial, we found that out of the 90 approved claims we reviewed, 22 claims totaling \$282,606 lacked sufficient evidence to confirm that the victim claimant was eligible for victim compensation program funds. For the majority of our audit review period, Title 8 of Missouri’s Code of State Regulations, section 50-6.010, required victims to promptly report crimes to proper authorities, and that no compensation shall be paid if the report shows that such a report was made more than 48 hours after the occurrence or the discovery of the crime – unless the division deems the report was delayed because of the incapacity of the

victim.¹¹ The Missouri Revised Statutes Chapter 595 also states that in determining the amount of compensation payment, the Missouri DPS shall determine whether the victim contributed to their victimization, either directly or indirectly through actions leading up to the incident. This statute goes on to say that the Missouri DPS may, in such instances, either reduce or deny the claim, though it also allows for the Missouri DPS to disregard victim responsibility if the victim was aiding or protecting another victim or apprehending the person committing a crime. Missouri Revised Statutes 595 also requires that any state or local agency shall make available all reports, files, and other appropriate information that the department requests to make a determination that a claimant is eligible for an award. According to the Missouri DPS internal control policy manual, as part of the claims review, the Missouri DPS sends a law enforcement verification form (verification form) to the law enforcement agency investigating the crime in question, requesting that it fill out the form and provide all police reports and relevant information necessary to determine claimant eligibility.

Among the 22 claims we found to lack sufficient evidence confirming claimant eligibility, 7 of these claims did not include a police report in the case file. Without the police reports, the Missouri DPS would be unable to confirm compliance with the 48-hour reporting requirement applicable to 5 of the 7 claims missing the police report and therefore would be unable to verify and document claimant eligibility. Further, the Missouri DPS would be unable to evaluate the specifics of the crime committed to ensure claimant eligibility for all 7 of these claims. We asked the Missouri DPS about the police reports and they responded that while they request local law enforcement to submit police reports, this does not always happen, and the Missouri DPS personnel will follow up if they determine more information is needed to review the claim.

For the remaining 15 claims lacking sufficient evidence confirming claimant eligibility, we determined the police reports were inconclusive on whether the victim contributed to their victimization, and the information in the verification form was submitted by someone who may not have the requisite knowledge of the incident to determine whether the claimant contributed to their victimization. For example, we found numerous instances where a clerk signed the verification form rather than the investigating officer. We asked the Missouri DPS about these situations where the police reports were inconclusive and the verification form was signed by someone not involved in the investigation. The Missouri DPS responded that the verification form is filled out by the person deemed appropriate to do so by the investigating agency and the verification form identifies whether any illegal activity occurred and whether a victim's illegal activity contributed to the incident. However, based on our interpretation of the Missouri Revised Statutes Chapter 595, the Missouri DPS has an affirmative responsibility to determine claimant eligibility rather than relying on information that is either inconclusive in the police reports or potentially unreliable from a person not involved in the investigation.

¹¹ On August 28, 2018, Missouri House Bill 1355 took effect, eliminating the requirement to report the crime within 48 hours.

According to information provided to us by the Missouri DPS, its victim compensation program staff operated under several different policy documents throughout the period we audited. We received multiple versions of the Missouri CVC policy manual, the oldest dated April 2016. The manual dated April 2016 was in effect during a portion of the time period in which the claims we reviewed were paid by the Missouri DPS. This manual specifically stated (in capitalized letters), "Always work a claim to pay it!! Don't go into it looking for ways to deny the claim!!" While the manual did also state that if sufficient information is not available the claim should be denied, we find the emphasis on paying claims to have had the potential to mislead the claims specialists reviewing each claim. This language was not present in a policy revision dated August 2017 and continues to remain out of the most recent manual update, which is dated April 2019.

In total, the 22 claims for which the Missouri DPS claim files did not contain adequate documentation to support the eligibility of the claimant amounted to \$282,606, as shown in Table 5. We question the costs associated with these 22 claims as unsupported and therefore recommend OJP remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility. We also recommend OJP ensure that the Missouri DPS implements appropriate policies and practices to require personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.

Table 5
Unsupported Compensation Claims

Grant	No Police Report	Insufficient Information	Questioned Costs
2014-VC-GX-0013	4	8	\$217,853
2015-VC-GX-0056	1	5	59,012
2016-VC-GX-0072	2	2	5,741
Total:	7	15	\$282,606

Source: OIG analysis of Missouri claim files.

Also, among the 90 approved claims we reviewed, we found two instances where miscalculations resulted in payouts to the claimants that were lower than the amount supported by the information in the claim file. For one of the claims, the Missouri DPS responded the error happened due to the auto-calculation system not working properly and stated a help desk ticket was submitted. The error resulted in an underpayment of \$371. For the other claim, the Missouri DPS should have used the three most recent paychecks to determine the lost wages reimbursement. However, the most recent paycheck was not used and an older lower paycheck was used instead. The error resulted in an underpayment of \$255. We provided details on these transactions to the Missouri DPS; we make no recommendations related to these errors due to the de minimis amounts of the differences.

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 disbursements or reimbursements made immediately or within 10 days. VOCA victim compensation grant funds are available for the fiscal year of the award plus 3 additional fiscal years. To assess whether the Missouri DPS managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in the Missouri DPS's accounting system and accompanying financial records.

For the VOCA victim compensation awards, the Missouri DPS compiles a batch report of victims that are to be paid with grant funds and then requests a drawdown based on the compensation amounts presented in the batch reports. Table 6 shows the total amount drawn down for each grant as of December 2018.

Table 6

Amount Drawn Down for Each Grant as of December 2018

Award Number	Total Award	Award Period End Date	Amount Drawn Down	Amount Remaining
2014-VC-GX-0013	\$2,016,000	09/30/2017	\$1,894,192 ^a	\$ 0 ^b
2015-VC-GX-0056	2,410,000	09/30/2018	2,410,000	0
2016-VC-GX-0072	2,087,000	09/30/2019	348,137	1,738,863
Total:	\$6,513,000		\$4,652,328	\$1,738,863

^a Net amount after including Missouri DPS refunds to OJP.

^b This reflects a total of \$121,809 of refunds and de-obligation of 2014 award funds not used.

Source: OJP

Note: Differences in amounts are due to rounding.

During this audit, we did not identify significant deficiencies related to the Missouri DPS's process for developing drawdown requests.

Financial Reporting

According to the Financial Guides, 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 Missouri DPS submitted accurate Federal Financial Reports (FFR), we compared the four most recent reports to the Missouri DPS's accounting records for the 2014, 2015, and 2016 grants. We determined that quarterly and cumulative expenditures for the reports reviewed matched the Missouri DPS's accounting records.

CONCLUSION AND RECOMMENDATIONS

Based on the results of our audit, we concluded that the Missouri DPS used its VOCA funding to enhance its crime victim compensation program. However, we identified several issues related to the management of its program. We found that the Missouri DPS did not accurately calculate and report on its Crime Victim Compensation State Certification Forms the correct amount of state payments that OJP would use to determine FY 2017 through FY 2019 awards. Because these reported amounts are the basis for future VOCA awards, the errors on the Missouri DPS's FY 2017 form mean that the Missouri DPS could receive \$19,987 more than it should be awarded in FY 2019. We also found that the Missouri DPS did not sufficiently verify claimant eligibility for 22 of the 90 claims we reviewed, resulting in questioned costs totaling \$282,606. Further, we found that the Missouri DPS's most recent EEO plan is outdated and therefore not in compliance with the grant special conditions requirement. We also identified areas for improvement in the Missouri DPS's policies and procedures, including public outreach and conflicts of interest. We provide eight recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure the Missouri DPS updates its policy manual to define conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.
2. Coordinate with the Missouri DPS to determine if changes with their outreach education program are necessary to ensure more people throughout the state of Missouri will learn about the CVC program and avail themselves of its benefits.
3. Work with the Missouri DPS to determine if its state certifications for FYs 2015 through 2018 resulted or will result in funds awarded in error, and if so to take the necessary steps to remedy those funds.
4. Ensure the Missouri DPS develops and implements procedures for accurately completing its Crime Victim Compensation State Certification Forms.
5. Ensure the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.
6. Ensure the Missouri DPS submits for approval an updated EEO plan to the OJP Office for Civil Rights.
7. Remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility.
8. Ensure that Missouri DPS implements appropriate policies and practices to require personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

The objective of the audit was to evaluate how the Missouri DPS 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 from the Crime Victims Fund (CVF) awarded to the Missouri Department of Public Safety (Missouri DPS).

- 2014-VC-GX-0013, awarded for \$2,016,000
- 2015-VC-GX-0056, awarded for \$2,410,000
- 2016-VC-GX-0072, awarded for \$2,087,000

The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) awarded these grants totaling \$6,513,000 to the Missouri DPS, which serves as the state administering agency. Our audit concentrated on, but was not limited to, the period of October 2013, the project start date for VOCA victim compensation grant number 2014-VC-GX-0013, through December 2018. As of December 2018, the Missouri DPS had drawn down a total of \$4,652,328 from the three audited grants.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of the Missouri DPS's activities related to the audited grants. We performed sample-based audit testing for grant expenditures, including compensation payments to victims of crime and denied compensation claims. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The authorizing VOCA legislation, the VOCA victim compensation program guidelines, the OJP Financial Guide, and 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 and the OVC's Performance Management Tool, as well as the Missouri DPS's 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.

While our audit did not assess the Missouri DPS's overall system of internal controls, we did review the internal controls of the Missouri DPS's financial management system specific to the management of funds for each VOCA grant within our review. To determine whether the Missouri DPS adequately managed the VOCA funds we audited, we conducted interviews with state of Missouri financial staff, examined policies and procedures, and reviewed grant documentation and financial records. We also developed an understanding of the Missouri DPS's financial management system and its policies and procedures to assess its risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grants.

APPENDIX 2

SCHEDULE OF DOLLAR-RELATED FINDINGS

<u>Description</u>	<u>Amount</u>	<u>Page</u>
Questioned Costs: ¹²		
Unsupported Claimant Eligibility	\$282,606	11
Total Questioned Costs	\$282,606	

¹² **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

MISSOURI DEPARTMENT OF PUBLIC SAFETY
RESPONSE TO THE DRAFT AUDIT REPORT¹³

MICHAEL L. PARSON
Governor

SANDRA K. KARSTEN
Director



Lewis & Clark State Office Bldg.
Mailing Address: P.O. Box 749
Jefferson City, MO 65101-0749
Telephone: 573-751-4905
Fax: 573-751-5399

STATE OF MISSOURI
DEPARTMENT OF PUBLIC SAFETY
OFFICE OF THE DIRECTOR

September 16, 2019

Ms. Carol Taraska
Regional Audit Manager
Chicago Regional Audit Office
Office for Victims of Crime
U.S. Department of Justice
500 West Madison Street, Suite 1121
Chicago, IL 60661-2590

VIA: Electronic Mail to: Carol.S.Taraszka@usdoj.gov
Linda.Taylor2@usdoj.gov

Dear Ms. Taraszka,

The Missouri Department of Public Safety (DPS) has received the draft report of the audit conducted by your office covering grant activities related to Victims of Crime (VOCA) grant numbers 2014-VC-GX-013, 2015-VC-GX-056 and 2016-VC-GX-0072.

Eight recommendations were identified in the report on page 15. Below you will see each recommendation from the report and our response for each:

Recommendation 1—

Ensure the Missouri DPS updates its policy manual to define conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.

DPS Response to Recommendation 1—

Partially Agree –Attached is DPS Policy: B-12, Code of Conduct that ensures DPS employees will comply with Executive Order 92-04. The CVC administration will add a reference to DPS Policy B-12 to the CVC program policy if the language is acceptable by OJP. The CVC policy manual will be revised to clearly address conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered by October 15, 2019.

Highway Patrol • National Guard • State Emergency Management Agency • Fire Safety
Office of Homeland Security • Alcohol & Tobacco Control • Capitol Police • Gaming Commission • Veterans Commission

¹³ Attachments to this response were not included in this final report.

Recommendation 2—

Coordinate with the Missouri DPS to determine if changes with their outreach education program are necessary to ensure more people throughout the state of Missouri will learn about the CVC program and avail themselves of its benefits.

DPS Response to Recommendation 2—

Agree – DPS CVC will work with OJP to evaluate our outreach education program to ensure more people throughout the state of Missouri will learn about the CVC program and its benefits.

Recommendations 3 & 4—

Work with the Missouri DPS to determine if its state certifications for FY 2015 through 2018 resulted or will result in funds awarded in error, and if so to take the necessary steps to remedy those funds.

Ensure the Missouri DPS develops and implements procedures for accurately completing its Crime Victim Compensation State Certification Forms.

DPS Response to Recommendations 3 & 4—

Partially Agree – DPS CVC will work with OJP to review and determine if the state certifications for FY 2015 through 2018 resulted or will result in funds awarded in error, and if so will take the necessary action to remedy the funds. DPS CVC initiated a review and recalculation of the state certifications per the OJP instructions. It's unclear from the comparison in the report where the discrepancy in the CVC calculations versus the OIG calculation occurred. DPS CVC will request technical assistance from OJP to develop procedures to ensure state certification forms are calculated accurately.

Recommendation 5—

Ensure the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.

DPS Response to Recommendation 5—

Agree – The DPS CVC has corrected and resubmitted the performance report for the second quarter of FY2018. The DPS CVC will confirm approval with OJP.

Recommendation 6

Ensure the Missouri DPS submits for approval an updated EEO plan to the OJP Office for Civil Rights.

DPS Response to Recommendations 6 —

Agree – Due to a transition of within DPS Human Resources staff the EEO plan was not completed in May 2019. Currently, the necessary data has been collected and DPS Human Resources anticipates submitting the plan to the OJP Office for Civil Rights by October 15, 2019.

Recommendations 7 & 8—

Remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility.

Ensure that Missouri DPS implements appropriate policies and practices to require personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.

DPS Response to Recommendations 7 & 8—

Disagree – The DPS CVC requested the list of files identified as having insufficient documentation supporting claimant eligibility from the OIG. An administrative review of each of the files has been conducted by DPS CVC management. The objective of the review was to evaluate the documented decision making methodology for each file. In the opinion of the DPS CVC, the claims paid were eligible and paid in accordance with Missouri statutes, DPS CVC policies and procedures and VOCA guidelines. DPS CVC will avail ourselves to OJP for further review and will provide any further documentation to support our position.

In closing, the Missouri Department of Public Safety appreciates the opportunity to respond to the audit report. If you have any questions, or require additional information, please contact me at connie.berhorst@dps.mo.gov or at 573/751-2771.

Sincerely,



Connie Berhorst
Crime Victim Services & Compensation/Juvenile Justice Manager
Missouri Department of Public Safety

cc: Sandra K. Karsten, Director
Missouri Department of Public Safety

Kenny Jones, Deputy Director
Missouri Department of Public Safety

Tracy McGinnis
Director of Administrative, Fiscal and Legal Services
Missouri Department of Public Safety

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

Washington, D.C. 20531

SEP 18 2019

MEMORANDUM TO: Carol S. Taraszka
Regional Audit Manager
Chicago Regional Audit Office
Office of the Inspector General

FROM: Ralph E. Martin
Director 

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, Office for Victims of Crime, Victim Compensation Grants Awarded to the Missouri Department of Public Safety, Jefferson City, Missouri*

This memorandum is in reference to your correspondence, dated August 26, 2019, transmitting the above-referenced draft audit report for the Missouri Department of Public Safety (Missouri DPS). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **eight** recommendations and **\$282,606** in 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 that the Missouri DPS updates its policy manual to define conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.**

OJP agrees with the recommendation. We will coordinate with the Missouri DPS to obtain a copy of written policies and procedures, developed and implemented, to ensure that it has a formalized conflict of interest policy that defines conflicts of interest, and directs employees on appropriate behavior when a conflict of interest is encountered.

2. **We recommend that OJP coordinate with the Missouri DPS to determine if changes with their outreach education program are necessary to ensure more people throughout the State of Missouri will learn about the CVC program and avail themselves of its benefits.**

OJP agrees with the recommendation. We will work with the Missouri DPS to determine if changes to its outreach education program are necessary, to ensure that more people throughout the State of Missouri learn about the Crime Victim Compensation (CVC) program and avail themselves of its benefits.

3. **We recommend that OJP work with the Missouri DPS to determine if its state certifications for FYs 2015 through 2018 resulted or will result in funds awarded in error, and if so to take the necessary steps to remedy those funds.**

OJP agrees with the recommendation. We will work with the Missouri DPS to determine if its CVC State Certification Forms for Fiscal Years (FYs) 2015 through 2018 resulted in, or will result in, funds being awarded in error; and if so, will take the necessary steps to remedy those funds.

4. **We recommend that OJP ensure the Missouri DPS develops and implements procedures for accurately completing its Crime Victim Compensation State Certification Forms.**

OJP agrees with the recommendation. We will coordinate with the Missouri DPS to obtain a copy of written policies and procedures, developed and implemented, to ensure that it accurately completes its CVC State Certification Forms.

5. **We recommend that OJP ensure that the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.**

OJP agrees with the recommendation. We will coordinate with the Missouri DPS to ensure that it re-submits a corrected performance report for the second quarter of FY 2018.

6. **We recommend that OJP ensure that the Missouri DPS submits for approval an updated EEO Plan to the OJP Office for Civil Rights.**

OJP agrees with the recommendation. We will coordinate with the Missouri DPS to ensure that it submits an updated Equal Opportunity Employment (EEO) Plan for approval, to the OJP Office for Civil Rights.

7. **We recommend that OJP remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility.**

OJP agrees with the recommendation. We will review the \$282,606 in questioned costs, related to insufficient documentation supporting claimant eligibility costs that were charged to Award Numbers 2014-VC-GX-0013, 2015-VC-GX-0056, and 2016-VC-GX-0072, and will work with the Missouri DPS, to remedy the costs, as appropriate.

8. **We recommend that OJP ensure that the Missouri DPS implements appropriate policies and practices to require personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.**

OJP agrees with the recommendation. We will coordinate with the Missouri DPS to obtain a copy written policies and procedures, developed and implemented, to ensure that personnel who evaluate claims do so in full accordance with the governing Missouri statutes and Victims of Crime Act (VOCA) Guidelines.

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: Katharine T. Sullivan
Deputy Assistant Attorney General
for Operations and Management

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

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

Darlene L. Hutchinson
Director
Office for Victims of Crime

Allison Turkel
Deputy Director
Office for Victims of Crime

Katherine Darke-Schmitt
Deputy Director
Office for Victims of Crime

cc: James Simonson
Associate Director for Operations
Office for Victims of Crime

Joel Hall
Victim Justice Program Specialist
Office for Victims of Crime

Charlotte Grzebien
Deputy General Counsel

Robert Davis
Acting Director
Office of Communications

Leigh A. Benda
Chief Financial Officer

Christal McNeil-Wright
Associate Chief Financial Officer
Grants Financial Management Division
Office of the Chief Financial Officer

Joanne M. Suttington
Associate Chief Financial Officer
Finance, Accounting, and Analysis Division
Office of the Chief Financial Officer

Aida Brumme
Manager, Evaluation and Oversight Branch
Grants Financial Management Division
Office of the Chief Financial Officer

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

OJP Executive Secretariat
Control Number IT20190905085857

**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 Missouri Department of Public Safety (Missouri DPS). OJP's response is incorporated in Appendix 4, and the Missouri DPS'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 Missouri DPS updates its policy manual to define conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Missouri DPS to obtain a copy of written policies and procedures, developed and implemented, to ensure that the Missouri DPS has a formalized conflict of interest policy that defines conflicts of interest and directs employees on appropriate behavior when a conflict of interest is encountered.

The Missouri DPS partially agreed with our recommendation and stated in its response that DPS Policy B-12, Code of Conduct, ensures DPS employees will comply with Executive Order 92-04 and offered to add a reference to DPS Policy B-12 to the CVC program policy. The Missouri DPS further stated the CVC policy manual will be revised by October 15, 2019, to clearly address conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered. We agree that appropriate implementation of these actions would address this recommendation.

This recommendation can be closed when we receive evidence that the Missouri DPS has updated its policy manual to appropriately address conflicts of interest and direct employees on appropriate behavior when a conflict of interest is encountered.

- 2. Coordinate with the Missouri DPS to determine if changes with its outreach education program are necessary to ensure more people throughout the state of Missouri will learn about the CVC program and avail themselves of its benefits.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with the Missouri DPS to determine if changes to its outreach education program are necessary to ensure more people throughout the

state of Missouri learn about the CVC program and avail themselves of its benefits.

The Missouri DPS agreed with our recommendation and stated in its response that it will work with OJP to evaluate its outreach education program to ensure more people throughout the state of Missouri learn about the CVC program and its benefits.

This recommendation can be closed when we receive evidence that OJP has coordinated with the Missouri DPS to determine if changes to its outreach education programs are necessary and any changes have been implemented.

3. Work with the Missouri DPS to determine if its state certifications for FYs 2015 through 2018 resulted or will result in funds awarded in error, and if so to take the necessary steps to remedy those funds.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with the Missouri DPS to determine if its state certifications for FYs 2015 through 2018 resulted in, or will result in, funds awarded in error, and if so, it will take the necessary steps to remedy those funds.

The Missouri DPS grouped recommendations 3 and 4 together and partially agreed, responding that it initiated a review and recalculation of its certifications which differed from our recalculation. However, the Missouri DPS also stated it will work with OJP to review the state certifications for FYs 2015 through 2018.

This recommendation can be closed when we receive evidence that OJP has coordinated with the Missouri DPS to determine the accuracy of its state certifications for FYs 2015 through 2018 and remedied any funds awarded in error.

4. Ensure the Missouri DPS develops and implements procedures for accurately completing its Crime Victim Compensation State Certification Forms.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Missouri DPS to obtain a copy of written policies and procedures, developed and implemented, to ensure that it accurately completes its Crime Victim Compensation State Certification Forms.

The Missouri DPS grouped recommendations 3 and 4 together and partially agreed, stating in its response that it will request technical assistance from OJP to develop procedures to ensure state certification forms are calculated accurately.

This recommendation can be closed when we receive evidence that the Missouri DPS has developed and implemented procedures for accurately completing its Crime Victim Compensation State Certification Forms.

5. Ensure the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Missouri DPS to ensure the Missouri DPS re-submits a corrected performance report for the second quarter of FY 2018.

The Missouri DPS agreed with our recommendation and stated in its response that it has corrected and resubmitted the performance report for the second quarter of FY 2018, and that it will confirm approval with OJP.

This recommendation can be closed when we receive evidence that the Missouri DPS has re-submitted a corrected performance report for the second quarter of FY 2018 and that it was approved by OJP.

6. Ensure the Missouri DPS submits for approval an updated EEO plan to the OJP Office for Civil Rights.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Missouri DPS to ensure the Missouri DPS submits for approval an updated EEO plan to the OJP Office for Civil Rights.

The Missouri DPS agreed with our recommendation and stated in its response that due to changes within the Missouri DPS human resources, the EEO plan was not completed, but that the necessary data has been collected and it anticipates submitting the plan by October 15, 2019.

This recommendation can be closed when we receive evidence that the Missouri DPS has submitted for approval to the OJP Office for Civil Rights an updated EEO plan.

7. Remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will review the amount questioned and work with the Missouri DPS to remedy \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility, as appropriate.

The Missouri DPS grouped recommendations 7 and 8 together and disagreed, stating in its response that it conducted an administrative review of the files identified as having insufficient documentation supporting claimant eligibility and in its opinion believes the claims paid were eligible and paid in accordance with Missouri statutes, DPS CVC policies and procedures, and VOCA guidelines. The Missouri DPS also stated it will avail itself to OJP for further review and provide any further documentation to support its position. As we stated in the report, our interpretation of Missouri Revised Statutes Chapter 595 is that the Missouri DPS has an affirmative responsibility to

determine claimant eligibility. Based on our review of the claims files, due to missing or inconclusive police reports and unconfirmed verification forms, we believe that documentation on file was insufficient for the Missouri DPS to determine claimant eligibility.

This recommendation can be closed when we receive evidence that the \$282,606 in questioned costs related to insufficient documentation supporting claimant eligibility has been appropriately remedied.

8. Ensure that Missouri DPS implements appropriate policies and practices to require personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Missouri DPS to obtain a copy of written policies and procedures, developed and implemented, to ensure that personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.

The Missouri DPS grouped recommendations 7 and 8 together and disagreed, stating in its response that it believes the claims paid were eligible and paid in accordance with Missouri statutes, DPS CVC policies and procedures, and VOCA guidelines. The Missouri DPS did not explicitly respond to this recommendation, but did state in response to both recommendations 7 and 8 that it will avail itself to OJP for further review and provide any further documentation to support its position. As demonstrated by the unsupported claims files we discuss in recommendation 7 and the body of the report, we believe Missouri DPS policies and practices need to be strengthened to ensure full compliance with the governing Missouri statutes and VOCA Guidelines.

This recommendation can be closed when we receive evidence that the Missouri DPS implemented appropriate policies and practices to require Missouri DPS personnel who evaluate claims do so in full accordance with the governing Missouri statutes and VOCA Guidelines.



The Department of Justice Office of the Inspector General (DOJ OIG) is a statutorily created independent entity whose mission is to detect and deter waste, fraud, abuse, and misconduct in the Department of Justice, and to promote economy and efficiency in the Department's operations.

To report allegations of waste, fraud, abuse, or misconduct regarding DOJ programs, employees, contractors, grants, or contracts please visit or call the **DOJ OIG Hotline** at oig.justice.gov/hotline or (800) 869-4499.

U.S. DEPARTMENT OF JUSTICE OFFICE OF THE INSPECTOR GENERAL
950 Pennsylvania Avenue, NW
Washington, DC 20530 0001

Website
oig.justice.gov

Twitter
[@JusticeOIG](https://twitter.com/JusticeOIG)

YouTube
[JusticeOIG](https://www.youtube.com/JusticeOIG)

Also at Oversight.gov