



Audit of the Office of Justice Programs  
Victim Compensation Grants Awarded to  
the Arizona Criminal Justice Commission,  
Phoenix, Arizona



AUDIT DIVISION

24-111

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**SEPTEMBER 2024**

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# EXECUTIVE SUMMARY

## Audit of the Office of Justice Programs Victim Compensation Grants Awarded to the Arizona Criminal Justice Commission, Phoenix, Arizona

### Objective

The objective of the audit was to evaluate how the Arizona Criminal Justice Commission (Arizona CJC) 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 Arizona CJC used its grant funds to compensate crime victims. This audit did not identify significant concerns regarding Arizona CJC's drawdowns, victim compensation claim expenditures, and administrative expenditures. However, we identified discrepancies with annual state certification forms, performance reporting, monitoring of subrecipients, and financial reporting.

### Recommendations

Our report contains five recommendations for the Office of Justice Programs (OJP) to assist Arizona CJC in improving its grant management and administration. We requested a response to our draft audit report from Arizona CJC and OJP which can be found in Appendices 2 and 3, respectively. Our analysis of those responses is included in Appendix 4.

### Audit Results

The U.S. Department of Justice Office of the Inspector General completed an audit of three Victims of Crime Act victim compensation formula grants awarded by OJP's Office for Victims of Crime (OVC) to Arizona CJC. The OVC awarded \$5.16 million from fiscal years 2020 through 2022 from the Crime Victims Fund to provide financial support through the payment of benefits to crime victims throughout Arizona. As of October 2023, Arizona CJC drew down a cumulative amount of \$3.65 million for all the grants we reviewed.

We found that Arizona CJC, through its subrecipients, distributed program funds to victims of crime as required. However, we identified the following weaknesses.

#### State Certification Form

We determined that Arizona CJC's controls did not ensure that amounts reported on annual state certification forms were accurate. Further, Arizona CJC did not have internal policies and procedures to prepare and maintain the information reported on the annual certification forms.

#### Accuracy of Performance and Financial Reports

We found that 9 of the 12 federal financial reports we reviewed did not match Arizona CJC's accounting records. We also determined that due to the lack of monitoring for performance data, we have no assurance that performance reports were accurate.

#### Subrecipient Monitoring

Arizona CJC maintained limited and inconsistent documentation to support its monitoring activities. It also did not verify the accuracy of programmatic and financial information reported by subrecipients and did not conduct site visits in accordance with its policies.

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# 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 Arizona Criminal Justice Commission (Arizona CJC) in Phoenix, Arizona. 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) 2020 to 2022, these OVC grants totaled \$5,157,000.

**Table 1**

**Audited Grants**

**Fiscal Years 2020 – 2022**

Award Number	Award Date	Award Period Start Date	Award Period End Date	Award Amount
2020-V1-GX-0043	09/17/2020	10/01/2019	09/30/2023	\$1,467,000
15POVC-21-GG-00415-COMP	09/16/2021	10/01/2020	09/30/2024	\$2,057,000
15POVC-22-GG-00566-COMP	08/25/2022	10/01/2021	09/30/2025	\$1,633,000
<b>Total:</b>				<b>\$ 5,157,000</b>

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

Source: JustGrants

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

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

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

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

## **The Grantee**

As the Arizona state administering agency, Arizona CJC was responsible for administering the VOCA victim compensation program. Arizona CJC was created in 1982 to serve as a resource and service organization for Arizona's 480 criminal justice agencies on issues ranging from drugs, gangs, victim compensation and assistance, to criminal record improvement initiatives. Based on Arizona CJC's public website, Arizona CJC is a statutorily authorized entity mandated to carry out various coordinating, monitoring, and reporting functions regarding the administration and management of criminal justice programs in Arizona. While Arizona CJC is responsible for administering the program at the state level, the claims are processed at the county level. Arizona CJC allocates the state and federal victim compensation funding through subrecipient awards to each of the 15 Arizona counties. However, only Maricopa and Pima County received subawards that included federal grant funds. Each county program has a compensation coordinator, who is responsible for investigating claims, collecting supporting documentation, and presenting claims to the county's victim compensation board for review and approval. If the claim is approved by the board, the county pays the claim and is later reimbursed by Arizona CJC.

## **OIG Audit Approach**

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

We tested compliance with what we considered the most important conditions of the grants. Unless otherwise stated in our report, we applied the authorizing VOCA legislation, the VOCA compensation program guidelines (VOCA Guidelines); 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the DOJ Grants Financial Guides as our primary criteria. We also reviewed relevant Arizona CJC policies and procedures and interviewed Arizona CJC personnel to determine how they administered the VOCA funds. Due to the nature of Arizona CJC's victim compensation program, we also reviewed relevant policies and procedures and interviewed personnel at the county level for those counties that received federal funds. We further obtained and reviewed Arizona CJC records as well as Pima and Maricopa County records reflecting grant activity.

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.

# 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 Pima and Maricopa counties' overall process for making victim compensation payments, including Arizona CJC's oversight of and reimbursement to the counties. We also assessed Arizona CJC and the counties' policies and procedures for providing compensation payments to victims, as well as the accuracy of the annual state certification forms.

Overall, we determined that Arizona CJC's implementation of its victim compensation program was appropriate and in compliance with the VOCA Guidelines. We found Arizona CJC generally complied with federal grant requirements and established an adequate program to compensate victims and survivors of criminal violence. However, we identified issues with its policies and procedures pertaining to submitting annual state certification forms, monitoring of subrecipients, and retention of documentation. We also identified issues related to the accuracy of annual state certification forms, as well as the accuracy of performance and financial reports.

## 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 Arizona, Arizona CJC was responsible for the victim compensation program, including meeting all financial and programmatic requirements. When reviewing and paying claims for victims, Arizona CJC operated under the Arizona Compensation Desk Manual (Desk Manual) and Title 10 of the Arizona Administrative Code, which conveyed the state-specific policies for the victim compensation program. We assessed Arizona CJC's implementation of its victim compensation program, including analyzing policies and procedures governing the decision-making process for individual compensation claims.

Based on our review, we found that Arizona CJC had established processes for Arizona's counties to accept applications, determine eligibility, and to review and accept bills. However, as discussed in more detail in the [Annual State Certification](#) and [Performance Reporting](#) sections of this report, we believe that Arizona CJC should develop its policies and procedures related to calculations for the annual state certification form as well as monitoring of Arizona counties responsible for processing victim claims, particularly with verifying the accuracy of reporting on victim claim payments.

## *Denied Victim Compensation Claims*

As part of our evaluation of Arizona CJC and the counties' financial controls over VOCA victim compensation grant expenditures, we reviewed denied victim compensation claims to determine whether the claims were appropriately adjudicated and the reason for the denial was properly documented. From Maricopa and Pima Counties, we noted a total of 804 denied claims from October 2019 through September 2023. We judgmentally selected a sample of 45 denied claims. We noted that denied victim compensation claims were generally appropriately adjudicated and properly documented.

## Annual State Certification

State administering agencies must submit to the OVC an annual Crime Victim Compensation State Certification Form, which provides the OVC the necessary information to determine the grant award amount. The annual state certification form includes all compensation claims paid out to, or on behalf of, victims from all funding sources during the federal fiscal year, as well as deductions and recovery costs. The OVC allocates VOCA victim compensation grant funds to each state using a formula that takes into consideration the state's eligible compensation claims paid out to, or on behalf of, victims during the fiscal year 2 years prior.<sup>3</sup> The accuracy of the information provided in the annual state certification form is critical to OJP's correct calculation of the victim compensation award amounts granted to each state.

We assessed Arizona CJC's controls for preparing the annual state certification forms submitted to the OVC for FYs 2020 and 2021, which were used to calculate the award amounts granted in FYs 2022 and 2023.<sup>4</sup> We reviewed the annual state certification forms, including the financial support for the reported payouts and revenues. We attempted to reconcile the annual state certification forms by comparing Arizona CJC's reported information to its general ledgers for the federal and state funded victim compensation activity to determine if the reported information was accurate.

We determined Arizona CJC's controls did not ensure that it correctly calculated the amounts reported on its annual certification forms. Specifically, the Arizona CJC Victim Compensation Data Warehouse (Data Warehouse) information that Arizona CJC relied upon to report the total amount paid to, or on behalf of, crime victims by the compensation program did not reconcile to the general ledgers.<sup>5</sup> Additionally, Arizona CJC did not properly calculate the total amount of refunds as part of the deductions as follows: (1) incorrectly included a federal refund in the total amount paid to, or on behalf of, crime victims by the compensation program line item on the FY 2021 annual state certification form; (2) included an out of scope refund in the refunds line item on the FY 2021 annual state certification form; and (3) excluded refunds with state funds in the refunds line item on both the FY 2020 and 2021 annual state certification forms.<sup>6</sup> In response to the errors we identified, current Arizona CJC officials stated that they were unaware of what the prior program manager had used to support the line items and would look into what was used for the FY 2020 and 2021 annual state certification forms. Furthermore, we asked Arizona CJC to provide a general ledger that accurately reports the amount Arizona CJC spent each fiscal year, and why state refunds were excluded from the annual state certification forms. Despite our repeated requests, Arizona CJC did not respond or provide any additional documentation. Therefore, we were unable to verify the accuracy of the

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<sup>3</sup> In July 2021, Congress enacted the VOCA Fix to Sustain the Crime Victims Fund Act of 2021, Pub. L. No. 117-27, § 2(a), 135 Stat. 301 (VOCA Fix Act), which changed the formula from 60 to 75 percent and removed the requirement for state compensation programs to deduct subrogation and restitution recoveries from the eligible payout amount. These changes went into effect immediately and were applied to FY 2019 certification forms and FY 2021 grant awards.

<sup>4</sup> The OJP's Office of the Chief Financial Officer, Budget Execution Division calculates the allocations for VOCA eligible crime victim compensation programs and OVC makes the grant awards.

<sup>5</sup> As mentioned in the [Performance Reporting](#) section below, the Data Warehouse is a database into which Arizona's counties input information, including victim demographic information and detailed information on victim compensation claim expenditures.

<sup>6</sup> According to the State Certification Form instructions, refunds are amounts paid to, or on behalf of, crime victims that are returned to the state (e.g. overpayment, erroneous payment, uncashed checks) during the fiscal year.

FY 2020 and 2021 annual state certification form. However, the net effect of the errors did not materially affect the grant award amounts.

Furthermore, Arizona CJC did not have internal policies and procedures for preparing and maintaining support for amounts reported on the annual state certification form. Arizona CJC officials stated that it had not developed policies and procedure because the annual state certification form keeps changing. While the annual state certification form was updated based on the VOCA Fix Act, the change removed two line items that were not related to the errors we identified above.

As discussed earlier, the accuracy of the information provided in the annual state certification form is critical to the formula calculation used to determine the victim compensation award amounts granted to teach state. The lack of internal policies impacted Arizona CJC's ability to provide accurate and supported amounts on the annual state certification forms. Therefore, we recommend that OJP ensure that Arizona CJC develops and implements written policies and procedures to ensure the submission of accurate annual state certification forms including controls for retaining supporting documentation.

## **Monitoring of Subrecipients**

As stated previously, Arizona CJC allocates the state and federal victim compensation funding through awards to each of the 15 Arizona counties and only Maricopa and Pima County received subawards that included federal grant funds. According to the DOJ Grants Financial Guide, a pass-through entity must have established written policies on subrecipient monitoring. The DOJ Grants Financial Guide requires the pass-through entity to: review financial and performance reports submitted by the subrecipient; follow-up and ensure the subrecipient takes action to address deficiencies found through audits, onsite reviews, and other means; and issues a management decision for audit findings pertaining to the award.

To assess the adequacy of Arizona CJC's monitoring of its subrecipients, we interviewed Arizona CJC personnel, identified Arizona CJC monitoring procedures, and obtained records of interactions between Arizona CJC and its subrecipients. The Arizona CJC's Desk Manual includes periodic programmatic reviews of the county victim compensation programs that consist of an in-depth review of the program's administrative processes and procedures, a compensation claim file review, and a review of the program's victim compensation board meeting minutes and agendas. The Desk Manual also states that Arizona CJC officials may perform financial audits of subrecipient counties consisting of an analysis and evaluation of the program's accounting system and interactions with county finance to ensure that it provides full accountability for revenues, expenditures, assets, and liabilities. As discussed below, we believe that Arizona CJC's subrecipient monitoring efforts provided limited assurance that subrecipients had administered the pass-through funding in compliance with the laws, regulations, and the provisions of the award and that the required performance goals are being achieved.

## **Programmatic Reviews**

Arizona CJC officials stated that the most recent programmatic reviews for Pima and Maricopa counties were in FYs 2019 through 2021, respectively. These reviews were conducted remotely because in-person site visits were limited by the prior manager as a cost-saving measure and due to the COVID-19 pandemic. In-person site visits started again in FY 2022, focusing on counties that had experienced a significant turnover in staff, errors in reporting, and issues reporting timely. According to Arizona CJC officials, Pima

and Maricopa counties were not selected for an in-person site visit because they did not have any of these issues.

Arizona CJC provided documentation to support that a remote review of Pima County was conducted in June 2019. This documentation indicated Arizona CJC reviewed a sample of victim claim expenditures as well as a review of the Pima County single audit.<sup>7</sup> However, Arizona CJC could not provide the formal site visit letter that identified any findings and recommendations or corrective actions taken by the county. Arizona CJC officials explained that this information may have been in the previous official's e-mail account, which is no longer available. As a result, we were unable to determine the results of Arizona CJC's site visit to Pima County, including any identified discrepancies or concerns, any recommendations, or any corrective actions. For Maricopa County, Arizona CJC officials conducted a remote programmatic review that began in March 2021 and ended in May of 2021. This documentation indicated a review of a sample of claims as well as an assessment involving the review of policies and procedures and a single audit. Arizona CJC sent a letter detailing findings and a corrective action plan to the county on September 20, 2021, which included findings related to the timeliness of financial reports and uploading of information for activity reports, as well as findings for three of the six claims that they reviewed. We were able to confirm that Arizona CJC provided recommendations to the county for remedying each of these findings. However, Arizona CJC lacked documentation to support any actions or plans from Maricopa County to resolve those recommendations.

We found that Arizona CJC did not maintain adequate documentation related to its programmatic subrecipient monitoring reviews. Further, Arizona CJC did not have policies and procedures in place to follow up with subrecipients to ensure subrecipients takes action to address deficiencies found through audits and onsite reviews.

### Periodic Financial Reviews

In addition to programmatic reviews, Arizona CJC officials stated that they periodically monitor subrecipients through remote reviews classified as either a Front-End Audit or Back-End Audit. Front-End Audits are focused on reviewing supporting documentation for victim compensation claims prior to Arizona CJC reimbursing the subrecipient. Back-End Audits are focused on the verification of timesheets for subrecipients' administrative costs after subrecipients receive reimbursement. The frequency of these audits, from bi-monthly to quarterly, is dependent on Arizona CJC's risk designation of the county.

We requested documentation for the most recent Front-End and Back-End Audits performed for Pima and Maricopa County. Arizona CJC officials provided the most recent Back-End Audit for both counties, which occurred in January and February 2024. The documentation provided demonstrated that Arizona CJC reviewed the administrative expenditures reimbursed to both counties. No issues were identified through either review. However, Arizona CJC did not provide the most recent Front-End Audit for either county to support its oversight for victim claims payments. Therefore, overall we have no assurance that Arizona CJC is adequately monitoring victim claims payments.

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<sup>7</sup> As noted in the [Grant Financial Management Section](#), we reviewed the single audit reports for the FY ending June 30, 2023, for Pima County and Maricopa County and did not note findings or discrepancies involving their Victim Compensation Programs.

## Programmatic Data Reported by Subrecipients to Support Arizona CJC's Performance Reports

Arizona CJC requires subrecipients to submit programmatic information including number of victims, victim demographics, type of crime, and monetary amounts for claims into its Data Warehouse. Semiannually, this data is aggregated and reported to OJP through the Arizona CJC's progress reports. Further, the data is used by Arizona CJC in its annual state certification form for future CVF Victim Compensation awards. We asked Arizona CJC officials to describe its process to verify the accuracy of information submitted by the counties into the Data Warehouse. Arizona CJC officials explained that they review data for compliance with state policy, but do not verify the data for accuracy. We reviewed the Desk Manual and found that it does not include policy or procedures to verify the Data Warehouse information for accuracy. As a result, Arizona CJC has no assurance that the Data Warehouse information used to prepare its progress reports or the annual state certification form is accurate.

Overall, we found that the Arizona CJC's subrecipient monitoring efforts provided limited assurance that the subrecipient has administered the pass-through funding in compliance with the laws, regulations, and the provisions of the award because Arizona CJC: (1) maintained limited and inconsistent documentation to support its monitoring activities, (2) did not follow up with subrecipients to ensure subrecipients take action to address deficiencies found through audits and onsite reviews, and (3) does not sufficiently verify the accuracy of programmatic and financial information reported by subrecipients. Therefore, we recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure compliance with DOJ Grants Financial Guide subrecipient monitoring requirements, including that subrecipient financial information and subrecipient performance reports are adequately reviewed. We also recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.

## Performance Reporting

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 official grant management system.<sup>8</sup> The OVC also requires 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 submit the report to OJP. For the victim compensation grants, the states must report the number of victims for whom an application was made; the number of victims whose victimization is the basis for the application; the number of applications that were received, approved, denied, and closed; and total compensation paid by service type.

Arizona CJC currently requires each county victim compensation program to report activity data quarterly using into the Data Warehouse, a web-based reporting tool used to collect program activity data. Each county is required to submit program claim and financial activity data to Arizona CJC on a quarterly basis. Arizona CJC uses the Data Warehouse information to compile the data required for the Performance Reports in PMT. The Data Warehouse tracks specific information for each claim including the county, claim

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<sup>8</sup> In October 2020, JustGrants replaced OJP's former Grants Management System as the new grants management and payment management system.

number, date application was received, demographic information, crime date, crime type, payment request received date, expense type, approval status, expense amount, and expense type.

To assess whether Arizona CJC’s annual performance report to the OVC fairly reflected the performance figures of the victim compensation program, we reviewed the last PMT report submitted for each of the three awards and selected a sample of 60 of the 1,364 items from each PMT report, for a total of 180 of 4,092 items. For each sample item, we compared the performance data reported in PMT to the supporting documentation in Arizona CJC’s Data Warehouse. As shown in Table 2, we found that 60 of the 180 progress report facts we sampled did not match the supporting documentation provided by Arizona CJC, while some of the differences were immaterial, the number of differences is concerning. Additionally, 33 of those 60 items were over-reported (the reported figure was greater than the figure in supporting documentation), where the differences for the over-reported figures ranged from less than 1 percent to almost 60 percent of the reported value.

**Table 2**

**Comparison of Performance Reports to Supporting Documentation**

Year	Quarterly Reports Selected	Total Performance Metrics Selected	Number of Unsupported Items	Number of Over-reported Items	Number of Under Reported Items
2020	Q1 & Q3	60	24	3	23
2021	Q2 & Q4	60	16	11	2
2022	Q2 & Q3	60	13	11	2
<b>Total</b>		<b>180</b>	<b>60</b>	<b>33</b>	<b>27</b>

Source: Arizona CJC’s Data Warehouse and OIG Analysis

Arizona CJC officials stated that they were not sure why the differences occurred but thought it could be due to changes made to the data after they pulled the information from the Data Warehouse for the progress reports. According to the DOJ Grants Financial Guide, award recipients must ensure that valid and auditable source documentation is available to support all data collected for each performance measure required by the program. Additionally, as discussed in the [Monitoring of Subrecipients](#) section, we found that Arizona CJC does not validate the accuracy of data reported by subrecipients through the Data Warehouse. Because Arizona CJC relies on this information to compile its progress reports, our testing was limited to determining if the progress report items in our sample matched the supporting documentation and we were unable to determine if the progress reports submitted to OJP were accurate. Therefore, we recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation is maintained.

## 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 Arizona CJC’s financial management of the VOCA victim compensation grants, we reviewed the process Arizona CJC used to administer these funds by examining expenditures charged to the grants by subrecipients, subsequent drawdown requests to OJP, and

resulting financial reports. To further evaluate Arizona CJC’s financial management of the VOCA victim compensation grants, we also reviewed the state of Arizona single audit reports for FYs 2020 to 2022 and did not identify any significant deficiencies or material weaknesses specifically related to Arizona CJC.<sup>9</sup> We also interviewed Arizona CJC personnel who were responsible for financial aspects of the grants, reviewed Arizona CJC written policies and procedures, inspected award documents, and reviewed financial records.

As discussed below, in our overall assessment of grant financial management, we determined that Arizona CJC implemented adequate controls for payments of administrative expenditures, drawdowns and reimbursements to counties for victim claim payments, but could improve its processes to monitor subrecipients and submit accurate financial reports. We noted that Arizona CJC policies included internal controls of their financial systems (and adequate training for those who have access), which included segregation of duties for transactions and procurements, travel, payroll, and review of victim claim payments for accuracy and compliance.

## Grant Expenditures

State administering agency VOCA compensation expenses 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. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a sample of transactions from each of these categories by reviewing accounting records and verifying support for select transactions.

### *Victim Compensation Claim Expenditures*

Victims of crime in the state of Arizona submit claims for reimbursement of expenses incurred as a result of victimization, such as medical and funeral costs or loss of wages. Due to the nature of the state of Arizona’s victim compensation program, each of the state of Arizona’s counties has a victim compensation board that adjudicates these claims for eligibility and makes claim payments. Arizona CJC then uses VOCA victim compensation funds to reimburse the counties.

To evaluate Arizona CJC and the counties’ 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 the VOCA Guidelines, the Arizona Compensation Desk Manual, and the State of Arizona Administrative Code. From the two counties that received federal funding, we noted 11,409 victim compensation claims, totaling \$7.3 million. We judgmentally selected 170 claims, totaling \$1,007,172. The transactions we reviewed included costs in the following categories: crime scene cleanup, disability, funeral, loss of financial support, medical, mental health, mileage, and lost wages. We determined that payments were generally accurate, allowable, timely, and in accordance with the policies of the VOCA Guidelines, the Arizona Compensation Desk Manual, and the State of Arizona Administrative Code.

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<sup>9</sup> Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. We also reviewed the single audits for FY ending June 30, 2023, for Pima County and Maricopa County and did not note findings or discrepancies involving their victim compensation programs.

### Administrative Expenditures

The state administering agency may retain up to 5 percent of each grant to pay for administering its crime victim compensation program. However, such costs must derive from efforts to improve program effectiveness and service to crime victims, including claims processing, staff development and training, and public outreach. For the compensation grant program, we tested Arizona CJC’s compliance with the 5 percent limit on the administrative category of expenses.

We compared the total administrative expenditures charged to the grant against the total grant award amount and determined Arizona CJC complied with the 5 percent administrative cost limit. In addition, we also tested a sample of these administrative transactions to ensure costs were allowable and adequately supported. For our sample, we judgmentally selected \$23,538 in administrative costs — personnel costs for six payroll periods and three travel transactions — from the \$156,058 in total administrative costs from Arizona CJC accounting records. We found that all transactions were generally allowable and supported.

### Drawdowns

Award recipients should request funds based upon immediate disbursement or reimbursement needs, and the grantee should time drawdown requests to ensure that the federal cash on hand is the minimum needed for reimbursements or disbursements made immediately or within 10 days. To assess whether Arizona CJC managed grant receipts in accordance with these federal requirements, we compared the total amount reimbursed to the total expenditures in Arizona CJC’s accounting system and accompanying financial records.

For the VOCA victim compensation awards, Arizona CJC officials calculate drawdowns and enter the amount in their document control log for tracking purposes. The Finance Manager also creates backup documentation for each drawdown. The drawdown amount is then entered into Arizona’s Finance Federal Grants Tracking Spreadsheet. Once all the backup documentation has been created, Arizona CJC officials requests the drawdown from the appropriate funding source. Table 3 shows the total amount drawn down for each grant as of October 4, 2023. During this audit, we did not identify significant deficiencies related to the recipient’s process for developing drawdown requests.

**Table 3**

**Amount Drawn Down for Each Grant as of October 4, 2023**

Award Number	Total Award	Award Period End Date	Amount Drawn Down	Amount Remaining
2020-V1-GX-0043	\$1,467,000	09/30/2023	\$1,467,000	\$0
15POVC-21-GG-00415-COMP	\$2,057,000	09/30/2024	\$2,041,214	\$15,786
15POVC-22-GG-00566-COMP	\$1,633,000	09/30/2025	\$140,529	\$1,492,471
<b>Total:</b>	<b>\$5,157,000</b>		<b>\$3,648,743</b>	<b>\$1,508,257</b>

Source: JustGrants

## Financial Reporting

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report as well as cumulative expenditures. To determine whether Arizona CJC submitted accurate Federal Financial Reports (FFR), we compared the four most recent reports, ranging from July 2022 through June 2023, to Arizona CJC's accounting records.

We determined that cumulative expenditures for the reports reviewed did not match Arizona CJC's accounting records for 9 of the 12 reports that we reviewed. Further, for the three reports that were accurate, no expenditures were reported. Arizona CJC officials stated that the discrepancies were instances where total expenditures reported on the FFR included paper check reimbursement amounts issued to the subrecipients by Arizona CJC while the reimbursement amounts had not been recorded in Arizona CJC's accounting system until the checks were deposited. We recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC prepares and submits accurate FFRs based on its accounting records.

## Conclusion and Recommendations

As a result of our audit, we concluded that Arizona CJC used its grant funds to compensate crime victims. This audit did not identify significant concerns regarding Arizona CJC's drawdowns, victim compensation claim expenditures, or administrative expenditures. However, we identified deficiencies related to the accuracy of Arizona CJC's state certification forms, progress reports, or federal financial reports. Further, Arizona CJC could not demonstrate it had implemented adequate controls to monitor subrecipients including verification of data submitted for performance reports, verification of financial information for subrecipient reimbursement, and the retention of documentation for monitoring activities. We provide five recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure that Arizona CJC develops and implements written policies and procedures to ensure the submission of accurate annual state certification forms including controls for retaining supporting documentation.
2. Coordinate with Arizona CJC to enhance its policies and procedures to ensure compliance with DOJ Grants Financial Guide subrecipient monitoring requirements, including that subrecipient financial information and subrecipient performance reports are adequately reviewed.
3. Coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.
4. Coordinate with Arizona CJC to enhance its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation is maintained.
5. Coordinate with Arizona CJC to enhance policies and procedures to ensure that Arizona CJC prepares and submits accurate FFRs based on its accounting records.

# APPENDIX 1: Objective, Scope, and Methodology

## Objective

The objective of the audit was to evaluate how the Arizona Criminal Justice Commission (Arizona CJC) 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 2020-V1-GX-0043, 15POVC-21-GG-00415-COMP, and 15POVC-22-GG-00566-COMP from the Crime Victims Fund (CVF) awarded to Arizona CJC. The Office of Justice Programs (OJP), Office for Victims of Crime (OVC) awarded these grants totaling \$5.157 million to Arizona CJC, which serves as the state administering agency. Our audit concentrated on, but was not limited to, the period of October 2019 through December 2023. As of October 2023, Arizona CJC had drawn down a total of \$3,648,743 from the three audited grants.

To accomplish our objective, we tested compliance with what we consider to be the most important conditions of Arizona CJC's activities related to the audited grants, which included conducting interviews with state of Arizona staff, examining policies and procedures, and reviewing grant documentation and financial records. We performed sample-based audit testing for: (1) denied victim claims; (2) grant expenditures, including administrative charges and victim claim payments; (3) financial reports; and (4) progress reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The authorizing VOCA legislation; the VOCA compensation program guidelines; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; 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 DOJ's JustGrants System, Arizona CJC's accounting system specific to the management of DOJ funds during the audit period, and Arizona CJC's Victim Compensation Data Warehouse. We did not test the reliability of those systems as a whole; therefore, any findings identified involving information from those systems was verified with documents from other sources.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of Arizona CJC to provide assurance on its internal control

structure as a whole. Arizona CJC's 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 Arizona CJC's internal control structure as a whole, we offer this statement solely for the information and use of Arizona CJC and OJP.<sup>10</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles significant to the audit objective. Specifically, we reviewed Arizona CJC's written policies and procedures pertaining to aspects of grant performance and financial management. We also tested the implementation and operating effectiveness of specific controls over program implementation and compliance with laws and regulations for the awards in our audit scope.

The internal control deficiencies we found are discussed in the [Audit Results](#) section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

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<sup>10</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

# APPENDIX 2: Arizona CJC's Response to the Draft Audit Report



## Arizona Criminal Justice Commission

*Chairperson*  
DAVID K. BYERS, Director  
Administrative Office of the Courts

*Vice-Chairperson*  
STEVE STAHL  
Law Enforcement Leader

JEAN BISHOP  
Mohave County Supervisor

MICHELLE H. BURNS  
Former Judge

BRADLEY W. CARLYON  
Navajo County Attorney

LAURA CONOVER  
Pima County Attorney

JEFFREY GLOVER  
Department of Public Safety

KRIS MAYES  
Attorney General

MINA MENDEZ  
Board of Executive Clemency

CHRIS NANOS  
Pinal County Sheriff

RACHEL MITCHELL  
Maricopa County Attorney

RUSS SKINNER  
Maricopa County Sheriff

KARA RILEY  
Oro Valley, Chief of Police

DAVID SANDERS  
Pima County Chief Probation Officer

ROBERT L. SPIVEY  
St. Johns, Chief of Police

RYAN THORNELL, Director  
Department of Corrections

VACANT  
County Sheriff

VACANT  
Chief of Police

VACANT  
Mayor

*Executive Director*  
Andrew T. LeFevre

1110 West Washington, Suite 230  
Phoenix, Arizona 85007  
PHONE: (602) 364-1146  
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September 5, 2024

Kimberly L. Rice Regional Audit Manager  
Denver Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
1120 Lincoln St., Suite 1500  
Denver, CO 80203

Dear Ms. Rice,

In response to the recommendations found on page 12 of the Draft Audit Report, the Arizona Criminal Justice Commission concurs with the conclusions and recommendations and proposes the following actions to address the recommendations:

For recommendation #1- Ensure that Arizona CJC develops and implements written policies and procedures to ensure the submission of accurate annual state certification forms including controls for retaining supporting documentation

The Arizona Criminal Justice Commission (ACJC) will create and implement written policies and procedures on the state certification process including controls for retaining supporting documentation by December 31, 2024.

For recommendation #2- Coordinate with Arizona CJC to enhance its policies and procedures to ensure compliance with DOJ Grants Financial Guide subrecipient monitoring requirements, including that subrecipient financial information and subrecipient performance reports are adequately reviewed.

The ACJC will review and enhance its policies and procedures to ensure subrecipient monitoring requirements comply with the DOJ Grants Financial Guide, including that subrecipient financial information and subrecipient performance reports are adequately reviewed. These policies and procedures will be completed and implemented by March 31, 2025.

For recommendation #3- Coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.

*Our mission is to continuously address, improve, sustain and enhance public safety in the State of Arizona through the coordination, cohesiveness, and effectiveness of the Criminal Justice System*

The ACJC will review and enhance its policies and procedures to ensure subrecipient monitoring documentation is maintained and develop additional monitoring processes to ensure actions are taken by subrecipients to address deficiencies identified through audits and onsite reviews. These policies and procedures will be completed and implemented by March 31, 2025.

For recommendation #4- Coordinate with Arizona CJC to enhance its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation is maintained.

The ACJC will review and enhance its policies and procedures to ensure that information reported on quarterly performance reports is accurate and supporting documentation is maintained. These policies and procedures will be completed and implemented by December 31, 2024.

For recommendation #5- Coordinate with Arizona CJC to enhance policies and procedures to ensure that Arizona CJC prepares and submits accurate FFRs based on its accounting records.

The ACJC will review and enhance its policies and procedures to ensure that the preparation and submission of FFRs is accurately based on accounting records. These policies and procedures will be completed and implemented by October 31, 2024.

Please let us know if any changes or additional information is needed.

Sincerely,

Andrew LeFevre

Andrew LeFevre  
Executive Director,  
Arizona Criminal Justice Commission

Dorinda Johns

Dorinda Johns  
Victim Services Program Manager  
Arizona Criminal Justice Commission

Signature: Andrew LeFevre  
Andrew LeFevre (Sep 5, 2024 1:025 PDT)  
Email: [alefevre@azcjc.gov](mailto:alefevre@azcjc.gov)

Signature: Dorinda Johns  
Dorinda Johns (Sep 5, 2024 1:006 PDT)  
Email: [djohns@azcjc.gov](mailto:djohns@azcjc.gov)

# APPENDIX 3: 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

September 5, 2024

MEMORANDUM TO: Kimberly L. Rice  
Regional Audit Manager  
Denver 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 Compensation Grants, Awarded to the Arizona Criminal Justice Commission, Phoenix, Arizona*

This memorandum is in reference to your correspondence, dated August 20, 2024, transmitting the above-referenced draft audit report for the Arizona Criminal Justice Commission (Arizona CJC). We consider the subject report resolved and request written acceptance of this action from your office.

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

- 1. We recommend that OJP ensure that Arizona CJC develops and implements written policies and procedures to ensure the submission of accurate annual state certification forms including controls for retaining supporting documentation.**

OJP agrees with the recommendation. In its response, dated August 30, 2024, Arizona CJC stated that it will create and implement written policies and procedures on the state certification process, including controls for retaining supporting documentation, by December 31, 2024.

Accordingly, we will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure they include controls for accurately submitting the annual state certification forms, and retaining supporting documentation.

2. **We recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure compliance with DOJ Grants Financial Guide subrecipient monitoring requirements, including that subrecipient financial information and subrecipient performance reports are adequately reviewed.**

OJP agrees with the recommendation. In its response, dated August 30, 2024, Arizona CJC stated that it will review and enhance its policies and procedures to ensure subrecipient monitoring requirements comply with the Department of Justice (DOJ) Grants Financial Guide, including that subrecipient financial information and subrecipient performance reports are adequately reviewed. Arizona CJC indicated that these policies and procedures will be completed by March 31, 2025.

Accordingly, we will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that subrecipient monitoring requirements comply with the DOJ Grants Financial Guide, and include a process to review subrecipient financial information and subrecipient performance reports.

3. **We recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.**

OJP agrees with the recommendation. In its response, dated August 30, 2024, Arizona CJC stated that it will review and enhance its policies and procedures to ensure subrecipient monitoring documentation is maintained; and develop additional monitoring processes to ensure actions are taken by subrecipients to address deficiencies identified through audits and onsite reviews. Arizona CJC indicated that these policies and procedures will be completed by March 31, 2025.

Accordingly, we will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that pertinent documentation is maintained from its subrecipient monitoring reviews. In addition, we will ensure that Arizona CJC's written policies and procedures, to address Recommendation Number 2, include a process to ensure subrecipients timely correct any issues or deficiencies identified through audits and onsite reviews; and the supporting documentation is maintained for future auditing purposes.

4. **We recommend that OJP coordinate with Arizona CJC to enhance its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation is maintained.**

OJP agrees with the recommendation. In its response, dated August 30, 2024, Arizona CJC stated that it will review and enhance its policies and procedures to ensure that information reported on quarterly performance reports is accurate, and the supporting documentation is maintained. Arizona CJC indicated that these policies and procedures will be completed by December 31, 2024.

Accordingly, we will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that information reported in performance reports is accurate, and the supporting documentation is maintained for future auditing purposes.

**5. We recommend that OJP coordinate with Arizona CJC to enhance its written policies and procedures to ensure that Arizona CJC prepares and submits accurate FFRs based on its accounting records.**

OJP agrees with the recommendation. In its response, dated August 30, 2024, Arizona CJC stated that it will review and enhance its policies and procedures to ensure that its Federal Financial Reports (FFRs) are accurate and based on accounting records. Arizona CJC indicated that these policies and procedures will be completed by October 31, 2024.

Accordingly, we will coordinate with Arizona CJC to obtain a copy of written policies and procedures, developed and implemented, to ensure that future FFRs are accurately prepared, and reconciled to its accounting records prior to submission; and the supporting documentation is maintained for future auditing purposes.

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, of my staff, on (202) 514-7270.

cc: Maureen A. Henneberg  
Deputy Assistant Attorney General  
for Operations and Management

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

Linda J. Taylor  
Lead Auditor, Audit Coordination Branch  
Audit and Review Division  
Office of Audit, Assessment, and Management

Kristina Rose  
Director  
Office for Victims of Crime

Katherine Darke Schmitt  
Principal Deputy Director  
Office for Victims of Crime

James Simonson  
Director of Operations, Budget, and  
Performance Management Division  
Office for Victims of Crime

cc: Jeffrey Nelson  
Deputy Director of Operations, Budget, and  
Performance Management Division  
Office for Victims of Crime

Willie Bronson  
Deputy, State Victim Recourse Division  
Office for Victims of Crime

Joel Hall  
Deputy Director for State Victim Resource Division  
Office for Victims of Crime

Frederick Rogers  
Grant Management Specialist  
Office for Victims of Crime

Charlotte Grzebien  
Deputy General Counsel

Katherine Brown  
Principal Deputy Director  
Office of Communications

Rachel Johnson  
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 Office

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

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

OJP Executive Secretariat  
Control Number OCOM001140

## **APPENDIX 4: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report**

The U.S. Department of Justice Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP) and the Arizona Criminal Justice Commission (Arizona CJC). OJP's response is incorporated in Appendix 3 and Arizona CJC's response is incorporated in Appendix 2 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. Arizona CJC concurred with all of our recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

### **Recommendations for OJP:**

- 1. Ensure that Arizona CJC develops and implements written policies and procedures to ensure the submission of accurate annual state certification forms including controls for retaining supporting documentation.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure they include controls for accurately submitting the annual state certification forms and retaining supporting documentation. As a result, this recommendation is resolved.

Arizona CJC concurred with our recommendation and stated in its response Arizona CJC plans to create and implement written policies and procedures on the state certification process, including controls for retaining supporting documentation.

This recommendation can be closed when we receive documentation demonstrating that Arizona CJC has created and implemented policies and procedures that ensure Arizona CJC submits accurate state certification forms, including controls for retaining supporting documentation.

- 2. Coordinate with Arizona CJC to enhance its policies and procedures to ensure compliance with DOJ Grants Financial Guide subrecipient monitoring requirements, including that subrecipient financial information and subrecipient performance reports are adequately reviewed.**

Resolved. OJP agreed with our recommendation. OJP stated in its response it will coordinate with Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that subrecipient monitoring requirements comply with the DOJ Grants Financial Guide and include a process to review subrecipient financial information and subrecipient performance reports. As a result, this recommendation is resolved.

Arizona CJC concurred with our recommendation and stated in its response that Arizona CJC plans to review and enhance its policies and procedures to ensure subrecipient monitoring requirements comply with the DOJ Grants Financial Guide, including that subrecipient financial information and subrecipient performance reports are adequately reviewed.

This recommendation can be closed when we receive documentation demonstrating that Arizona CJC has enhanced its policies and procedures to comply with the subrecipient monitoring requirements in the DOJ Grants Financial Guide. This includes monitoring subrecipient financial information and subrecipient performance reports to ensure that subrecipient activity is allowable and information reported to Arizona CJC is accurate.

- 3. Coordinate with Arizona CJC to enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.**

Resolved. OJP agreed with our recommendation. OJP stated in its response it will coordinate with the Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that pertinent documentation is maintained from its subrecipient monitoring reviews. OJP also stated it will ensure that Arizona CJC's policies and procedures include a process to ensure subrecipients timely correct any issues or deficiencies identified through audits and onsite reviews and the supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

Arizona CJC concurred with our recommendation and stated in its response that Arizona CJC plans to review and enhance its policies and procedures to ensure that Arizona CJC maintains documentation pertinent to subrecipient monitoring and develops a monitoring process to ensure subrecipients take action to address deficiencies found through audits and onsite reviews.

This recommendation can be closed when we receive documentation demonstrating that Arizona CJC has enhanced its policies and procedures to ensure subrecipient monitoring documentation is maintained as well as to ensure subrecipients take action to properly address deficiencies found through audits and onsite reviews.

- 4. Coordinate with Arizona CJC to enhance its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation is maintained.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Arizona CJC to obtain a copy of its written policies and procedures, developed and implemented, to ensure that information reported in performance reports is accurate, and the supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

Arizona CJC concurred with our recommendation and stated in its response that Arizona CJC plans to review and enhance its policies and procedures to ensure that information reported on quarterly performance reports is accurate and supporting documentation is maintained.

This recommendation can be closed when we receive documentation demonstrating that Arizona CJC has enhanced its policies and procedures to ensure that information reported on the performance reports is accurate and supporting documentation for those reports is maintained.

**5. Coordinate with Arizona CJC to enhance policies and procedures to ensure that Arizona CJC prepares and submits accurate Federal Financial Reports (FFR) based on its accounting records.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with the Arizona CJC to obtain a copy of written policies and procedures, developed and implemented, to ensure that future FFRs are accurately prepared and reconciled to its accounting records prior to submission, and the supporting documentation is maintained for future auditing purposes. As a result, this recommendation is resolved.

Arizona CJC concurred with our recommendation and stated in its response that Arizona CJC plans to review and enhance its policies and procedures to ensure that the preparation and submission of FFRs is accurate based on accounting records.

This recommendation can be closed when we receive documentation demonstrating that policies and procedures have been enhanced to ensure that Arizona CJC submits accurate FFRs based on its accounting records.