



ARRA REPORT BY THE
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-12-0258

December 22, 2009

ARRA REVIEW OF ICJI VICTIM ASSISTANCE GRANT PROGRAM

Indiana Inspector General Staff Attorney Amanda Schaeffer and State Examiner Bruce Hartman of the Indiana State Board of Accounts report as follows:

This report addresses an evaluation of the Victims of Crime Act Victim Assistance Program¹ of the Indiana Criminal Justice Institute (ICJI).

I

On February 17, 2009, the United States Government enacted the American Recovery and Reinvestment Act² (ARRA). The ARRA intends to provide a stimulus to the United States economy by providing \$787 billion in

¹42 USC § 10601, The Victims of Crime Act (VOCA) created the Crime Victims Fund as a non-taxpayer funding resource for services that crime victims need. The Fund consists of fines and penalties from federal offenders, then VOCA funds are distributed to the states through victim assistance program grants. The primary purpose of VOCA grants is to provide funding for direct services to crime victims throughout Indiana.

² 40 USC 1606.

program funding and tax credits.³

The purpose of this report is to reflect an initial evaluation of ARRA compliance by the Victim Assistance Program.

II

In 2009, ICJI has been provided \$922,000 in ARRA funds to aid support programs for victims of violent crimes. The funds must be obligated by September 30, 2012 and liquidated by November 14, 2012.

III

A

Findings

From our initial review, we find that the program controls outlined in the

³ Indiana is expected to receive \$4.3 billion in ARRA funds and perhaps more in competitive grant funds. It is the experience of the Office of the Inspector General (OIG) and the State Board of Accounts (SBOA) that the expenditure of government funds may invite fraud and waste. The Office of the Inspector General's (OIG's) enabling statute states that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b). The OIG is also mandated to "recommend policies and carry out other activities designed to deter, detect and eradicate fraud, waste, abuse, mismanagement and misconduct in state government." IC 4-2-7-3(2). These duties include the authority to "initiate, supervise and coordinate" investigations, IC 4-2-7-3(1), to perform audits, IC 4-2-7-2(a), and to "prepare interpretive and educational materials and programs." IC 4-2-7-3(16). Immediately upon the OIG's creation in 2005, the SBOA provided assistance to the OIG. Many of the two agencies' missions are similar. In addition to the above OIG duties, the SBOA is charged to develop and publish "accounting and uniform compliance guidelines manuals" ("Manuals") to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law". IC 5-11-5-1(a). Both the SBOA and OIG also review compliance with the Circulars issued by the State Budget Agency issued under the authority of IC 4-12-1-13(h). Following the above authorities and precedent, both the OIG and SBOA have and continue to confer, research and seek education regarding ARRA. Substantial guidance has been provided by the Indiana Office of Management and Budget (OMB).

Victim Assistance Program spending plan or other related documentation are adequate to meet the respective federal ARRA and OMB guidelines and requirements.

B

Recommendation

At a later date we will perform additional procedures as deemed necessary to verify compliance requirements. The work papers prepared during this review will be retained as approved by the Oversight Commission on Public Records.

Dated this 22nd day of December, 2009.



David O. Thomas, Inspector General