

## **2025-117 AUDIT SCOPE AND OBJECTIVES**

### **Victim Restitution—State and Local Oversight**

The audit by the California State Auditor will provide independently developed and verified information related to state and local oversight of victim restitution programs. The audit's scope will include, but not be limited to, the following activities:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Evaluate the State's and a selection of counties' processes for collecting and distributing restitution. In doing so, determine the following:
  - (a) To the extent possible, the amount of restitution that has been ordered, collected, and remains outstanding in the last 10 years, the breakdown of actual amounts of interest collected vs. paid to victims on the restitution fine or order, and the processes for collecting interest.
  - (b) The percentage of restitution collected that has been distributed to victims.
  - (c) The portion of restitution that CDCR, FTB, and selected county collection programs have retained as administrative fees, penalties, or interest.
  - (d) The factors that have contributed to the gap between the amount of restitution ordered and the amount distributed to victims.
3. Assess agency practices and oversight of the State's and a selection of counties' restitution systems by evaluating the following:
  - (a) The extent that CDCR, FTB, and selected counties coordinate and differ in their restitution collection practices.
  - (b) Any discrepancies between statutes and actual practices in the garnishment of wages and trust account deposits.
  - (c) The process courts, probation departments, and CDCR use to establish collection rates and modifications of restitution orders.
4. Identify the demographic breakdown of individuals ordered to pay restitution (by race, income level, age, and education) and, to the extent possible, determine the following:
  - (a) The extent that formerly incarcerated people are barred from parole, expungement, or employment because of unpaid restitution.
  - (b) To the extent that such information is collected and available, the effects of restitution-related garnishments on reentry, family financial stability, and mental health.
5. Review and assess the victim's compensation eligibility and funding process by performing the following:
  - (a) To the extent possible, assess how the CalVCB makes eligibility decisions and the number of victims denied funding annually.
  - (b) Determine the portion of disbursements from the State Restitution Fund that goes directly to victims compared to that used for administrative costs.
  - (c) Identify payments of restitution to victims by CalVCB during the last 10 years and, to the extent possible, determine the average length of time it takes for victims to receive restitution payment after it has been ordered.

6. Assess the current status of and long-term outlook for the State Restitution Fund, including its fiscal solvency, and determine the following:
  - (a) How much CDCR, FTB, and selected counties annually spend on collection efforts.
  - (b) The mechanisms that exist to ensure that restitution obligations are properly collected and distributed.
7. Review and assess any other issues that are significant to the audit.