



FOR IMMEDIATE RELEASE
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Contact: Jenny Atchley, (303) 869-2835
jenny.atchley@state.co.us

**STATE AUDITOR'S OFFICE: IMPROVEMENTS NEEDED IN COLLECTING AND
DISTRIBUTING COURT-ORDERED RESTITUTION TO VICTIMS OF CRIME**

DENVER—An audit by the Colorado Office of the State Auditor (OSA) has found problems with the way in which the Judicial Branch and the Department of Corrections (Department) assess, collect and distribute court-ordered restitution to victims of crime, finding the process to be neither consistent nor, in some cases, equitable across the state.

The Judicial Branch is responsible for assessing offenders' restitution through court orders and collecting most restitution. However, the Department is also required to collect restitution from all offenders under its supervision or sentenced to a correctional facility by garnishing offenders' pay or bank deposits.

Currently, the State collects an average of about \$26 million annually in victim's restitution. In Fiscal Year 2013, there were 10,110 cases in which a Colorado court ordered an offender to pay victim's restitution.

The audit found that although the Department collects victim's restitution from offenders currently in its custody, the Department does not collect restitution associated with prior convictions that did not involve the Department. For example, if someone who commits theft owes the victim restitution and gets sentenced to probation, the Judicial Branch would collect the restitution and distribute it to the victim. If the same offender is later sentenced to state prison for another crime, the Department would only collect restitution owed for that crime but not for any unpaid balance associated with the prior theft.

Auditors also found that in 99 percent of the cases they sampled, the Judicial Branch did not add the statutorily required interest that should be added to the restitution offenders owe victims.

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When there are multiple victims of the same crime, the audit found that the Judicial Branch did not distribute the offenders' restitution payments to the victims in an equitable or consistent manner. For example, an offender owed 24 victims restitution, ranging from \$10,000 to \$1 million, but the victims were not paid at the same time or equitably. Instead, the judicial district decided to pay the victims in alphabetical order based on their last names. Due to the high sum of restitution owed to each victim and small payments made by the offender (about \$50 per month over 4 years), the judicial district only distributed payments to the first victim in the case. The audit noted that some court staff were unaware of statutory requirements for sequencing and distributing restitution payments to multiple victims. In addition, auditors found an overall lack of supervisory review to ensure compliance with statute.

The Judicial Branch and Department agreed to implement seven audit recommendations to improve the collecting and disbursing of victim's restitution.

The full report is available electronically on the OSA's website, <http://www.state.co.us/auditor>, via the link called "OSA Audit Reports." In accordance with state statute, the Legislative Audit Committee released the audit by a majority vote during a public hearing.

Under the direction of the state auditor, the OSA is the state's nonpartisan, independent external auditor with broad authority to audit state agencies, departments, institutions of higher education, and the Judicial and Legislative Branches. The OSA's professional staff serve the people of Colorado by addressing relevant public issues through high-quality, objective audits and reviews that promote accountability and positive change in government. Performance audits address whether programs operate in compliance with laws and regulations and in a manner that accomplishes intended program goals. Financial audits include annual audits of the state's basic financial statements and federal grants on a statewide level. IT audits review procedures and technology to ensure the confidentiality, integrity and availability of the state's critical computer systems and taxpayer data. The OSA also tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law.