



AUDITOR OF PUBLIC ACCOUNTS

Commonwealth of Virginia

DEPARTMENT OF CRIMINAL JUSTICE SERVICES

Internal Control Questionnaire Review Results As of August 2026

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TABLE OF CONTENTS

	Pages
REVIEW LETTER	1-4
AGENCY RESPONSE	5

Commonwealth of Virginia

Auditor of Public Accounts

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P.O. Box 1295
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September 1, 2026

The Honorable Abigail D. Spanberger
Governor of Virginia

Joint Legislative Audit
and Review Commission

Ashaki McNeil
Executive Director, Department of Criminal Justice Services

INTERNAL CONTROL QUESTIONNAIRE REVIEW RESULTS

We have reviewed the Internal Control Questionnaire for the **Department of Criminal Justice Services** (Criminal Justice). We completed the review on August 19, 2026. The purpose of this review was to evaluate if the agency has developed adequate internal controls over significant organizational areas and activities and not to express an opinion on the effectiveness of internal controls. Management of Criminal Justice is responsible for establishing and maintaining an effective control environment.

Review Process

During the review, the agency completes an Internal Control Questionnaire that covers significant organizational areas and activities including payroll and human resources; revenues and expenses; procurement and contract management; capital assets; grants management; debt; and information technology and security. The questionnaire focuses on key controls over these areas and activities.

We review the agency responses and supporting documentation to determine the nature, timing, and extent of additional procedures. The nature, timing, and extent of the procedures selected depend on our judgment in assessing the likelihood that the controls may fail to prevent and/or detect events that could prevent the achievement of the control objectives. The procedures performed target risks or business functions deemed significant and involve reviewing internal policies and procedures. Depending on the results of our initial procedures, we may perform additional procedures including reviewing evidence to ascertain that select transactions are executed in accordance with the policies and procedures and conducting inquiries with management. The "Review Procedures" section below details the procedures performed for Criminal Justice. The results of this review will be included within our risk analysis process for the upcoming year in determining which agencies we will audit.

Review Procedures

We evaluated the agency's corrective action for all prior review findings. The agency has taken adequate corrective action with respect to review findings reported in the prior review that are not repeated in the "Review Results" section below.

We reviewed a selection of system and transaction reconciliations in order to gain assurance that the statewide accounting system contains accurate data. The definitive source for internal control in the Commonwealth is the Agency Risk Management and Internal Control Standards (ARMICS) issued by the Department of Accounts (Accounts); therefore, we also included a review of ARMICS. The level of ARMICS review performed was based on judgment and the risk assessment for Criminal Justice. Further, we evaluated Criminal Justice's process for completing and submitting attachments to Accounts.

We reviewed the Internal Control Questionnaire and supporting documentation detailing policies and procedures. As a result of our review, we performed additional procedures over the following areas: expenses; capital assets; grants management; and information technology and security. These procedures included validating the existence of certain transactions; observing controls to determine if the controls are effectively designed and implemented; reviewing transactions for compliance with internal and Commonwealth policies and procedures; and conducting further review over management's risk assessment process.

As a result of these procedures, we noted areas that require management's attention. These areas are detailed in the "Review Results" section below.

Review Results

We noted the following areas requiring management's attention resulting from our review:

Information Technology and Security

- **Repeat** – Criminal Justice continues to lack a documented information technology (IT) Disaster Recovery Plan (DRP) within its continuity planning documentation. Additionally, Criminal Justice does not perform an annual exercise of its IT DRP components. The Commonwealth's Information Security Standard, SEC530 (Security Standard) requires Criminal Justice to develop IT disaster recovery components based on documented Business Impact Analysis (BIA) and Risk Assessments. The Security Standard also requires Criminal Justice to conduct an annual exercise of the IT DRP components to assess their adequacy and effectiveness. Criminal Justice should develop, implement, and annually test a DRP that corresponds with its Risk Assessments and BIA.

- Criminal Justice did not obtain a System and Organization Controls (SOC) report for third-party providers who process sensitive information. As such, Criminal Justice did not document an evaluation of the SOC report and the complementary user entity controls

described within the report and does not have a sufficient process for gaining assurance that third-party financial service providers have adequate controls in place. The Security Standard requires management to have an adequate level of interaction with third-party providers to give management an understanding of the providers' internal control environments and any complementary controls Criminal Justice would need to implement. Criminal Justice must also maintain oversight of the provider to gain assurance over outsourced operations. Criminal Justice should update its policies and procedures to review SOC reports for third-party providers and obtain and comprehensively evaluate SOC reports timely.

General Internal Controls

- **Repeat** – Criminal Justice has formal, documented policies and procedures over some of its significant business processes. However, during our review we identified many critical business areas where Criminal Justice should develop or improve policies and procedures to maintain an effective control environment. These areas include but are not limited to:

    - Accounts receivable, including write-offs
    - Capital asset accounting and reporting
    - Compensated absences
    - Conflict of Interests Act training
    - Contract procurement and management
    - Employee off-boarding and time reporting
    - Physical inventory
    - Retirement benefits reconciliations
    - Small purchase charge cards
    - Statement of Economic Interests (SOEI)

    Topic 20905 and other sections of the Commonwealth Accounting Policies and Procedures (CAPP) Manual require each agency to "publish its own policies and procedures documents, approved in writing by agency management." Management should continue working to ensure detailed policies and procedures exist for all critical business areas. In addition, management should continue to develop a process to review and approve all policies and procedures either annually or as needed and maintain documentation of the process.

- Criminal Justice did not ensure individuals in positions of trust filed SOEI forms. We identified multiple individuals in a position of trust who either did not submit the SOEI form or did not submit the SOEI form timely. Per § 2.2-3114 of the Code of Virginia, persons occupying positions of trust within state government or non-salaried citizen members of policy and supervisory boards shall file a disclosure statement with the Virginia Conflict of Interest and Ethics Advisory Council as a condition to assuming office or employment, and thereafter, shall file such a statement annually on or before February 3. Per § 2.2-3118.2 of the Code of Virginia, an officer or employee required to file a disclosure as a condition to assuming office or employment shall file such disclosure on or before the day such office or position of

employment is assumed. Management should ensure that all individuals in identified positions of trust file the appropriate disclosures upon hire or promotion, and subsequently at each annual filing.

- Criminal Justice does not ensure that employees who file SOEI forms complete the required training every two years. We noted several employees did not complete the required training within the two-year timeframe. Section 2.2-3128 of the Code of Virginia requires state filers to complete an orientation ethics course every two calendar years. Criminal Justice should ensure that the employees who file SOEI forms complete the training biennially as required.

We discussed these matters with management on July 20, 2026, and August 26, 2026. Management's response to the findings identified in our review is included in the section titled "Agency Response." We did not validate the accuracy of management's response and, accordingly, cannot take a position on whether it adequately addresses the issues in this report.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

Sincerely,

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

JDE/clj

COMMONWEALTH of VIRGINIA

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November 6, 2026

Stacie Henshaw
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Dear Ms. Henshaw,

Thank you for the opportunity to comment on the Auditor of Public Accounts' Internal Control Questionnaire review letter dated September 1, 2026 and received October 29, 2026 by the Department of Criminal Justice Services (DCJS).

DCJS appreciates the professionalism and collaboration demonstrated by your staff throughout the review process. DCJS values the constructive feedback provided and the opportunity to strengthen its internal control environment.

DCJS has met with the review team and carefully evaluated the recommendations and concerns identified in the letter. The agency has already implemented corrective actions to address several of the matters noted and is actively working to resolve the remaining issues. DCJS is committed to fully addressing all outstanding concerns within the next year through continued process improvements, monitoring, and oversight.

We appreciate the Auditor of Public Accounts' guidance and look forward to continued collaboration in support of effective internal controls and sound stewardship of public resources.

Sincerely,

Ashaki McNeil

Ashaki McNeil
Director
Virginia Department of Criminal Justice Services