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Review of the Bureau of Justice Assistance Verification Process for Payment Programs

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Final Report

About this Report

The Office of Justice Programs, Office of Audit, Assessment, and Management (OAAM), Program Assessment Division prepared this report. For questions regarding the content or distribution of this report, please contact Maureen Henneberg, director of OAAM, at (202) 616-3282.

Acronyms

BJA	Bureau of Justice Assistance
BJS	Bureau of Justice Statistics
BPS	Border Prosecution System
BVP	Bulletproof Vest Program
DOJ	Department of Justice
GAO	Government Accountability Office
SCAAP	State Criminal Alien Assistance Program
SWBPI	Southwest Border Prosecution Initiative
NBPI	Northern Border Prosecution Initiative
OAAM	Office of Audit, Assessment, and Management
OIG	DOJ Office of the Inspector General
OJP	Office of Justice Programs



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Introduction

The mission of the Office of Audit, Assessment, and Management (OAAM) is to continuously improve the administration of grants and performance of grant programs and to ensure compliance and proper internal controls through oversight and review of critical financial processes, grant management activities, and grant programs. OAAM's Program Assessment Division provides the Office of Justice Programs (OJP) and the Office of Community Oriented Policing Services (COPS Office) with targeted, timely, and practical feedback on program initiatives and operations to identify successes, weaknesses, and opportunities to improve performance.

The objective of this assessment was to examine the process used by the Bureau of Justice Assistance (BJA) to verify the eligibility and accuracy of reimbursement requests submitted by applicants of the following:

- 1) Bulletproof Vest Program (BVP)
- 2) State Criminal Alien Assistance Program (SCAAP)
- 3) Southwest Border Prosecution Initiative (SWBPI)
- 4) Northern Border Prosecution Initiative (NBPI)

To conduct this review, OAAM interviewed BJA staff responsible for processing payment requests, reviewed program guidelines and procedures for verification, examined payment documentation, and



analyzed data generated from BJA's internal reviews. OAAM also examined a sample of reimbursement requests for each program to determine whether verification procedures were followed, documentation was provided, expenses were eligible, and payments were calculated accurately. Further, as part of this assessment, we followed up on BJA's implementation of the U.S. Department of Justice Office of the Inspector General's (OIG) 2008 recommendations for the SWBPI program, which included new procedures for verifying SWBPI reimbursements. More information about our methodology can be found in Appendix A.

Background

Bulletproof Vest Program

The BVP was enacted by the Bulletproof Vest Partnership Grant Act in 1998 and reauthorized by the Bulletproof Act of 2000. Since its inception, BVP has distributed more than \$270 million to 13,000 jurisdictions. The goal of BVP is to assist state, local, and tribal law enforcement agencies with purchasing body armor for sworn personnel. Jurisdictions apply for funds based on the number of vests they intend to purchase within the next 2 years. Grantees are then awarded a pool of funds from which grantees can request reimbursement for half the expense, after purchasing vests. Payment requests are made through the BVP online system. Jurisdictions with populations under 100,000 are given priority. Depending on the amount available after those awards are made, larger jurisdictions receive a prorated percentage of BVP funds.

State Criminal Alien Assistance Program

The SCAAP is governed by the Immigration and Nationality Act and the Violent Crime Control and Law Enforcement Act of 1994. BJA administers SCAAP in conjunction with the Department of Homeland Security (DHS). SCAAP provides assistance to states and localities by reimbursing them for correctional officer salary costs associated with incarcerating undocumented criminal aliens



who have at least one felony or two misdemeanor convictions and are incarcerated for at least 4 consecutive days during the reporting period. Applicants use the Grants Management System (GMS) to apply for SCAAP funds annually. BJA uses a payment formula to determine the reimbursement amounts.

Border Prosecution System (SWBPI and NBPI)

The Border Prosecution System (BPS) includes the SWBPI and NBPI programs. Congress began providing funds for SWBPI in 2001.¹ Consequently, NBPI funds were added and first awarded in 2009. These programs reimburse state, local, and tribal jurisdictions for prosecuting criminal cases declined by U.S. Attorneys' offices. SWBPI provides funds to eligible jurisdictions in 4 southern border states, while NBPI provides identical funding for 14 northern border states.² Eligible cases must include criminal charges and be federally initiated and declined, prosecuted by a local jurisdiction, and resolved during the designated reporting period. BJA also reimburses applicants for pre-trial detention expenses.

The OIG conducted an audit of SWBPI in 2008. The report identified several problems with the administration of the SWBPI program and determined that OJP did not adequately oversee the program. Specifically, the OIG found that applicants were not required to provide any documentation to support reimbursement requests, applications were not reviewed for accuracy, reimbursements were not based on actual costs incurred, and OJP

¹ The SWBPI was administered by the Executive Office of U.S. Attorneys from 2002 to 2004. BJA assumed responsibility for the program in 2004.

² SWBPI-eligible states include Arizona, California, New Mexico, and Texas. NBPI-eligible states include Alaska, Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, New York, North Dakota, Ohio, Pennsylvania, Vermont, Washington, and Wisconsin.



did not seek to identify potential duplicate reimbursements from other federal funding sources.

In response to the OIG's recommendations, OJP modified the SWBPI online application system to require that jurisdictions enter details about the prosecuted cases and the defendants. BJA then uses this information to calculate each award so that jurisdictions receive payments for SWBPI cases only. BJA also implemented an internal review process to ensure that reimbursements are accurate and made only for eligible expenses.

Results

OAAM determined that BJA is administering its payment programs appropriately to verify the accuracy and eligibility of payments. The results of our review are discussed in three sections: 1) Verification Procedures, 2) Payment Verification (including eligibility, accuracy, and duplication), and 3) Documentation and Staff Resources.

Verification Procedures

BJA has established procedures to process payment requests for all four of its payment programs. The policies and procedures vary by program because the goals of each program differ. Below is a summary of the procedures for processing payment requests for BVP, SCAAP, SWBPI and NBPI.

BVP

BJA established procedures to verify BVP payment requests in 2000. Since that time, there have been no significant changes to the process. Approximately 13,000 payment requests are received annually, which is an average of 1,083 per month. The BVP Help Desk and BJA state policy advisor, who manages the program, process payment requests monthly.



The BVP online system has several controls in place to check the eligibility of payment requests. The system –

- allows only jurisdictions approved through the award process to submit reimbursement requests;
- verifies the grantee’s registration information when the grantee logs in;
- requires that the highest elected official in the jurisdiction, or their designee, electronically verify payment requests;
- allows grantees to request reimbursement only for purchased vest models approved by the National Institute of Justice (NIJ), which appear on the drop down list within the online system;
- requires grantees to manually enter details from the purchase receipt, including the quantity, date ordered, and unit price; and,
- will not allow grantees to enter costs exceeding \$2,250 per vest.

Each month BJA assesses the accuracy of each payment request by reviewing purchase information. After downloading the information from the BVP system, the BJA policy advisor first checks for duplicate submissions. If the total number of vests received and the total cost of the vests are exact or similar to another transaction for the same jurisdiction, BJA reviews the receipt details to compare the vest type, model, and the date ordered. Grantees are contacted to explain submissions if the receipt details match exactly.

The BJA policy advisor then examines vest receipts over the previous 3 years to detect anomalies between the total vests received and the total number of officers in the jurisdiction. The total number of officers in a jurisdiction is multiplied by 10 percent



to create a variance to account for any turnover during that time.³ Jurisdictions must justify their payment request if the number of vests purchased over 3 years is more than the number of officers. If costs cannot be explained, the request is denied.

In addition, BJA staff manually checks the amount requested for each vest to ensure that jurisdictions are not requesting reimbursement for more than 50 percent of the vest's purchase price. In 2009, BJA implemented a waiver system for jurisdictions that could not afford to match half of the total vest cost. The jurisdiction must submit documentation to prove financial hardship. BJA accepts justifications of bankruptcy, budgetary imbalance, fiscal distress, and natural disaster. The BJA policy advisor, who manages the program, is responsible for approving waiver requests.

SCAAP

In 2000, the SCAAP payment verification process was simplified by eliminating 40 categories of information previously required. BJA also began collecting information on salary and number of inmate days. Current payment verification procedures for SCAAP have been in place since 2005. BJA conducts an internal review of reimbursement requests from all SCAAP applicants annually. In FY 2010, there were 864 SCAAP awards that shared \$400 million in grant funds.

BJA requires applicants to submit data on their jurisdictions, contact information, inmates detained, inmate identification numbers, dates of incarceration, and total salary for correctional

³ For example, 20 officers x 10 percent = 2. Therefore, a jurisdiction cannot purchase more than 22 (2 + 20 officers) vests within a 3-year period.



officers.⁴ Facility information for the reporting period, such as total bed count and total number of days incarcerated for all inmates, is also required. Upon receipt of the applications, BJA forwards the inmate list from each jurisdiction to DHS to determine the eligibility of each inmate based on their alien status. DHS uses information in its databases to make this determination and gives each inmate a code that correlates with their status. The list is then sent to the Bureau of Justice Statistics (BJS), where the DHS codes are collapsed into four categories (eligible, unknown, ineligible, and invalid name), and the totals of each are forwarded to BJA.

The SCAAP verification process involves several steps. First, the BJA policy advisor reviews the jurisdiction information to identify any duplicate applications. There should be only one application per jurisdiction. Then, a facility variance review is conducted on staff totals, correctional officer salary costs, number of beds, and total number of inmate detention days. Each of these variables is compared with the information submitted by the jurisdiction's application from the previous year. If these numbers vary by 20 percent or more, BJA contacts the applicant for additional information.

Determining the correct per diem rate for each jurisdiction is a key part of calculating accurate reimbursement amounts. BJA calculates each per diem rate, which may vary from year to year. This rate is determined by dividing the total salaries of correctional officers at a facility by the total number of detention days for all inmates during the reporting period.⁵ BJA multiplies the per diem rate by the total

⁴ Applicants must name the highest elected official in the jurisdiction or their designee as a contact.

⁵ Salary costs can include paid overtime, but benefits may not be included in the total. The total number of inmate days can be determined by adding together the facility head counts each night during the reporting period.



number of illegal alien inmate days. Each jurisdiction receives a portion for its unknown inmates, added to the total number of known illegal alien inmates. Finally, the total eligible costs for all applications are divided by the total amount of SCAAP funds available to determine the payment ratio for the year. In FY 2010, each applicant received approximately 29 percent of their eligible SCAAP expenses.

BPS

BJA established new procedures to verify SWBPI and NBPI payments in response to the OIG's audit in 2008. Prior to that, BJA did not require applicants to submit data on prosecution salary costs or the total number of felony and misdemeanor cases during the reporting period.⁶ Therefore, jurisdictions were being reimbursed for prosecution costs that did not reflect the time actually spent on BPS cases. In addition, no supporting documentation was required for the cases submitted for reimbursement. BJA modified its online application system to capture the information recommended by the OIG during the FY 2009 grant cycle. Table 1 contains details on what data applicants are now required to submit.

⁶ Prosecutorial costs include the salaries of prosecutors, judges, clerks, paralegals, public defenders, and indigent defendant examiners.



Table 1. Data required for SWBPI and NBPI applications

Prosecution Expenses	Pre-Trial Detention Expenses
<ul style="list-style-type: none"> • Prosecution salary costs • Total number of felony and misdemeanor cases during the reporting period • Docket numbers • Defendant names • Arrest and disposition dates • Name of initiating and referring agency 	<ul style="list-style-type: none"> • Defendant names • Inmate identification numbers • Booking and release dates • Detention per diem rate for the jurisdiction

Source: BJA

In FY 2010, BJA implemented its new procedures to verify the accuracy of BPS payments. Also, for the first time, applications were based on expenses from the previous fiscal year. This change provided applicants with more time to collect required case information and for BJA to review the data submitted. In the past, applicants struggled to get the information needed prior to the submission deadline because cases were ongoing. Cases from previous years are more likely to be completed, enabling applicants to immediately submit case data and BJA to start its internal review process much sooner.

As applications are electronically submitted, the BJA policy advisor verifies the registration information, including the name of the jurisdiction, and that the chief executive officer listed is the highest elected official or their designee. The BJA policy advisor also reviews the application for the program information listed above in table 1. The total number of BPS cases submitted for prosecution expenses and the total number of felony or misdemeanor cases in a jurisdiction for the reporting period are used to determine what percent of total cases are BPS cases. BJA then calculates how much



of the jurisdiction's prosecution salary costs are actually eligible for reimbursement.

BJA also implemented changes, per the OIG's recommendations, to base pretrial detention reimbursements on the jurisdiction's per diem rate. Pre-trial detention costs are now verified by multiplying the total number of detention days by the per diem rate. The award amount is determined by adding the detention and prosecution costs. Beginning in FY 2011, variances in the data of 15 percent or more will be reviewed to identify potential errors.

Last, for SWPBI applicants only, BJA conducts a review of 10 percent of the applicants to verify the cases submitted for prosecution and detention reimbursement.⁷ The BJA policy advisor selects which jurisdictions participate. There are no established criteria for selection of applicants to participate in the case review. In FY 2010, there were 49 SWBPI applicants and 5 were chosen for case review. The SWBPI program manager selected a sample of cases from each jurisdiction's case list and requested documentation on those cases. Selected jurisdictions were required to submit information to substantiate federal initiation of cases, dates and times of incarceration and release, case resolution dates, and case dispositions.

Payment Verification

OAAM determined that BJA is effectively verifying the eligibility and accuracy of the payment requests for each payment program. We evaluated BJA's payment verification process by reviewing reimbursements for each program using the procedures that BJA has established. Documentation was available to substantiate the payment requests and to record any inquiries made to grantees by

⁷ NBPI grantees are not included in the case review due to the low number of awards.



BJA. However, we determined that additional internal controls are necessary to address sampling procedures for the SWBPI case review and to identify duplication. BJA's current procedures are not sufficient to identify duplicate payment requests and do not adequately address the OIG's concern in its 2008 report regarding grantees receiving duplicate funding for detention costs under SWBPI and SCAAP.

Eligibility and Accuracy

BVP Sample Review

We obtained a list of FY 2010 grantees from the BVP website and selected 50 jurisdictions. A list of these grantees is provided in Appendix B. OAAM then received documentation of monthly batches generated by BJA for processing payment requests submitted from December 2009 through January 2011. We searched these documents to find all payment requests submitted by the sampled grantees, which resulted in a compilation of 183 payment requests.

Of the grantees in our sample, Salt Lake City, UT, submitted the most payment requests (14), and Washington, DC received the largest number of vests (441). Thirty-four grantees submitted more than one payment request during this time. Using BJA's procedures to verify payments for our sample, we examined the following information:

- Total number of vests requested and total cost
- Amount of reimbursement requested
- Requests exceeding cost of vest (\$2,250)
- Total number of vests received over 3-year period against total number of officers

Based on OAAM's review, all of the payment requests within our sample were verified by BJA following BVP procedures and were accurate. However, we questioned one payment request



where the number of vests exceeded the number of officers in the jurisdiction. According to BJA, the grantee had not submitted a payment request since 2003 and needed to account for turnover in the agency. The request was ultimately approved after BJA received additional information from the jurisdiction.

We also found 13 payment requests from seven jurisdictions that were denied for various reasons. BJA removed five duplicates, four requests were due to system error caused by the user, two were grantees that chose the incorrect funding year for reimbursement, and one was removed so that the grantee could resubmit the request in order to maximize use of available funds. The last grantee did not respond to BJA's inquiries regarding their payment request. We determined that BJA's reasons for denying these 13 payment requests were appropriate.

SCAAP Review

OAAM reviewed all 864 SCAAP awards made for FY 2010. Only costs associated with eligible inmates incarcerated for 4 or more consecutive days between July 1, 2008, and June 30, 2009, could be submitted for reimbursement. We reviewed the jurisdiction information for each grantee and identified no duplicate applications. We then examined the DHS documentation needed to determine which inmates were eligible. We calculated variances for the number of inmates categorized as illegal and unknown, total correctional officer salaries, staff, number of beds, and number of inmate days. All were within the acceptable BJA variance range. OAAM also calculated the per diem rate for each applicant and compared the FY 2010 rate with that of the previous year to identify any significant changes, but found none.

We identified one anomaly during our review. Three



jurisdictions within the same geographical location reported identical staff and facility information. In response to our inquiry, BJA told us that the jurisdictions share a regional jail. While they report the same staff and facility information, they only claim the inmates processed in their respective jurisdictions. We verified this explanation by reviewing their inmate lists in GMS and found no duplicates.

OAAM tracked each application to the final payment calculation and determined that all of the applications were accurate. BJA followed SCAAP verification procedures, and GMS contained supporting documentation from applicants for items questioned by BJA.

BPS Review

OAAM reviewed all SWBPI (49) and NBPI (11) payments for FY 2010 awards and found that the BPS online system has controls that only allow eligible applicants to apply. Each jurisdiction's registration information was confirmed by BJA upon receipt of their applications. OAAM determined that all applications and expenses as presented were eligible for reimbursement according to BPS program guidelines.

In addition, OAAM confirmed that BJA is collecting the data recommended by the OIG to ensure that reimbursements more accurately reflect costs. We obtained data from BJA, which included prosecution salary costs, case dockets numbers, dates of referral and resolution, total number of felony and misdemeanor cases, number of inmate days, and dates detained. Based on these data, OAAM was able to recalculate each jurisdiction's salary and detention costs for BPS cases and determined them to be accurate. Unlike SCAAP, BJA does not require jurisdictions to submit the total amount of correctional officer salaries for use in calculating per diem rates or total detention costs. Facility per diem rates were provided by the



jurisdictions, but were verified by dividing the number of detention days into the total cost of detention. As stated earlier, this is a new verification process; therefore, variances for these data cannot yet be compared.

As mentioned, BJA conducts a review of 10 percent of the applicants to verify the cases submitted for prosecution and detention reimbursement.⁸ The purpose of this review is to determine whether cases submitted are eligible for reimbursement according to program guidelines. OAAM was unable to do a complete assessment of BJA's case review of SWBPI due to delays in obtaining the data from the jurisdictions. The five applicants chosen by BJA to participate in the case review were Maricopa County, AZ; Orange County, CA; Mendocino County, CA; Dona Ana County, NM; and Dallas County, TX. BJA selects 15 percent of the cases submitted for reimbursement from each jurisdiction and requests documentation. Jurisdictions were initially notified in May 2011 and given 3 weeks to submit their case documentation, but all needed additional time. BJA did not receive the case data needed from all of the SWBPI jurisdictions until July 2011.

The case review for one jurisdiction, Maricopa County, AZ, was completed and provided to OAAM. Maricopa County requested reimbursement for 133 felony cases and detention expenses for 95 of those defendants. BJA requested documentation for 19 cases and found two ineligible because the defendants were detained for less than 24 hours. For six cases, Maricopa County actually claimed less time for detention than indicated on the documents provided. In most of those cases, the dates varied by just a few days and BJA approved the

⁸ NBPI grantees are not included in the case review.



requests as submitted. OAAM verified that all cases were federally initiated and referred.

Due to the delays in receiving case data, OAAM inquired about BJA's plan to continue with the case review in the event that applicants cannot provide this information. The current policy states that if jurisdictions are unable to provide documentation, the cases would be removed from consideration. However, in this scenario, it is unclear if BJA has plans to select additional jurisdictions in order to meet its goal of conducting a case review on 10 percent of its applicants.

Duplication Review

BVP

OAAM examined BJA's process for identifying duplicate payment requests for BVP. If a jurisdiction submits more than one reimbursement within the same monthly batch run, BJA checks each request for the number of vests ordered and the total cost. If this information is identical, the grantee is contacted to confirm the duplication. The electronic receipt details may also be viewed for the vest model and the date ordered from the manufacturer. However, this process is not performed across monthly batch runs. BVP staff acknowledged the possibility that grantees could submit the same receipt during different months and have the duplicate go undetected.

We assessed this possibility by reviewing our sample of 183 payment requests, by jurisdiction, to identify those that not only met BJA's criteria for possible duplication, but were also submitted across monthly batch runs. Nine jurisdictions had such requests. OAAM provided the list of possible duplicates to BJA and requested screenshots of the receipt information from the BVP system. Lake County, IL submitted payments in July and September of 2010 for the same total cost and number of



vests purchased. The receipt information indicated that the vest model was the same as well as the order date. Although we found only one possible duplicate out of our sample of 183 payment requests, it indicates that screening for duplicates across monthly batch runs would enhance the BVP verification process.

BPS/SCAAP

Program guidelines state that SWBPI/NBPI and SCAAP jurisdictions should not include inmate records on their applications unless they are able to verify that expenses are only for pre- and post-trial detention, respectively. The OIG, in its 2008 SWBPI report, noted a concern regarding overlap in federal funding sources for similar expenses. Five of the seven jurisdictions included in the OIG audit received SCAAP funds for pre-trial detention services that were also reimbursed under SWBPI. In response, BJA modified the BPS system to capture information on other federal funding sources received by applicants. However, BJA does not adequately review this information to identify duplication.

To assess the possibility for duplication, OAAM chose four BPS applicants that claimed detention expenses in FY 2010 and received SCAAP funding for detention expenses during the same fiscal year. The four jurisdictions were Sacramento County, California; McLennan County, Texas; Yuma County, Arizona; and Monroe County, New York. The list of inmates submitted under both programs for each site was cross-matched to find inmates that appeared on both lists. Only inmates with exact matches by name and inmate identification numbers were considered valid matches.

Sacramento County, CA was the only jurisdiction with inmate matches (17) that met our criteria. According to the BJA policy advisor, the dates for BPS pre-trial detention should not overlap



with the incarceration dates for SCAAP for the same inmate. OAAM reviewed the detention information submitted for the 17 inmates and discovered that the dates of incarceration did overlap. In two instances, the BPS release date and the SCAAP incarceration date was the same. The number of overlap days for the remaining 15 inmates ranged from 26 to 364 days. Table 2 shows the number of overlap days for each inmate.⁹

⁹ The number of overlap days was determined by using the earliest and latest dates of incarceration for each inmate. Any other timeframes claimed that fell in between these dates were considered overlap.



Table 2. Sacramento County, CA Inmates with Detention Overlap

Unique inmate ID	Number of days overlap	SWBPI payment made	SCAAP payment
4235926	52	Yes	Full
4407804	106	Yes	Partial
4445544	49	Yes	Full
4492967	133	Yes	Full
4500764	175	Yes	Partial
2142053	35	Yes	Partial
4500760	175	Yes	Partial
4500754	31	Yes	Partial
4495700	26	Yes	Partial
4504932	174	Yes	Partial
4091735	52	Yes	Partial
3911896	364	Yes	Partial
3278680	133	Yes	Partial
4406746	175	Yes	Not funded
4507869	175	Yes	Partial
Total days	1,680*		

Source: BJA and BJS (SCAAP payment data only)

*Total does not include the 175 inmate days not funded.

After discovering this overlap, we asked the BJA policy advisor to confirm whether jurisdictions were reimbursed under both SWBPI and SCAAP. While confirming that all the above detention expenses were reimbursed through SWBPI, the policy advisor could not do so for SCAAP. BJS provides the BJA policy advisor with only the number of inmates, identified within four



categories: eligible, unknown, ineligible, and invalid name. As previously mentioned, a BJS statistician categorizes the SCAAP inmates based on DHS-provided data and forwards the results to BJA. Therefore, BJA does not know which inmates are included in the payment formula. OAAM consulted the BJS statistician who confirmed that five of the inmates were identified as illegal aliens whose detention expenses would have been fully reimbursable under SCAAP. Another 11 inmates were categorized as unknown for whom detention was partially reimbursed under SCAAP. Detention expenses were not reimbursed under SCAAP for the last inmate.

OAAM alerted BJA of the overlap, and BJA confirmed that reimbursement is unallowable under both programs. As a result, BJA will begin reviewing for duplication between BPS and SCAAP. According to the BJA policy advisor, the majority of FY 2010 applicants have already received their awards, so BJA will begin their review with the FY 2011 grant cycle. However, BJA will conduct a duplication review on the SWBPI applicants chosen to participate in the FY 2010 case review that have not yet received their funding.

Documentation and Staff Resources

OAAM identified two administrative issues that BJA should address. During the course of OAAM's review, BJA provided several electronic files that documented its efforts to verify payment requests. While the information in these files was adequately documented, there was no record of who produced the file or when the reimbursements were finalized. For audit purposes, it is important to maintain electronic signatures and dates that identify when the calculations in each of the files were finalized. The absence of this information could be problematic when tracking reimbursements from previous years. Furthermore, the files that BJA provided to OAAM had no controls to prevent



additional changes from being made. Files that contain final reimbursement calculations and approvals should be protected so that no further changes can be made.

In addition, OAAM determined that the workload for managing all four payment programs is greater than can be handled by the current staff of one. This may be, in part, due to the increased workload created by BJA's responsiveness to the OIG's recommendations regarding SWBPI. Furthermore, the internal review process for all four payment programs has to occur simultaneously so that awards are made prior to the next fiscal year, which places an undue burden on the staff person who must conduct verification activities for several programs simultaneously.

OJP's recent workload analysis, the McKenzie Model, also indicates that additional full-time staff may be needed to administer the four payment programs. The McKenzie Model is a tool designed to identify the abilities and qualifications needed to perform a specific job as well as the potential workforce gaps or overlaps across an organization. According to the Human Resources Division, the results of the McKenzie Model indicate that a considerable number of hours and additional staff may be needed to manage the payment programs. Although BJA has recently hired a new grant administrator to manage the SWBPI and NBPI programs, OAAM believes that a closer analysis is warranted to identify more specific staffing needs for these programs.

Conclusion

In sum, BJA is ensuring that all payment requests are examined for accuracy and verifying that only allowable costs are claimed. BJA has made substantial improvements in how SWBPI reimbursements are reviewed, which OAAM believes sufficiently addresses the OIG's concerns regarding the lack of documentation and internal review. However, OAAM has identified some areas which, if implemented, will enhance BJA's payment verification processes.



Recommendations

OAAM recommends that BJA do the following:

1. Implement additional procedures to identify duplicate payment requests across BVP monthly batch runs.
2. Implement a process to identify overlapping requests for detention expenses between BPS and SCAAP grantees.
3. Seek reimbursement for duplicate expenses paid to Sacramento, CA, under BPS or SCAAP in FY 2010.
4. Expand current procedures for the SWBPI case review to more thoroughly explain sampling procedures that address how BJA will meet its goal of a 10 percent review in the event that jurisdictions do not provide documentation.
5. Perform a workload analysis to determine if more resources are needed to manage payment programs.
6. Develop a method to ensure that internal review documents are electronically signed, dated, and password protected once they are finalized.

BJA Comments and Our Response

We provided a draft of our report to BJA for comments. BJA's comments on the recommendations and our responses are summarized below. See Appendix C for the full text of BJA's comments.

1) Implement additional procedures to identify duplicate payment requests across BVP monthly batch runs.

BJA agrees with this recommendation and is currently developing an update to the BVP system which, in



addition to capturing the vest serial number and the officer assigned to each vest, will automatically detect if a jurisdiction entered the same receipt details (vest model, price, vendor, etc.) at any time during the previous two years.

This recommendation can be closed when BJA completes its update of the BVP system and provides a copy of the revised BVP verification procedures.

2) Implement a process to identify overlapping requests for detention expenses between BPS and SCAAP grantees.

BJA agrees with this recommendation and stated that a review was conducted of all FY 2011 SWBPI applications compared against the individuals entered for the same jurisdictions in the SCAAP applications. The FY 2011 SWBPI-SCAAP review found 58,822 unallowable and overlapping detention days in the applications. Approximately \$5.8 million in total applications value was removed from the SWBPI applications prior to the award generation. BJA requests closure of this recommendation.

Based on BJA's response, we consider this recommendation closed.

3) Seek reimbursement for duplicate expenses paid to Sacramento, CA, under BPS or SCAAP in FY 2010.



BJA agreed with this recommendation and is in the process of reviewing all FY 2010 SWBPI-SCAAP applications for detention duplication using the same methodology as in FY 2011.

This recommendation can be closed when BJA completes its review of FY 2010 SWBPI SCAAP applications, requests the return of funds from any overlap of detention expenses found, and provides OAAM with documentation of these actions.

- 4) Expand current procedures for the SWBPI case review to more thoroughly explain sampling procedures that address how BJA will meet its goal of a 10 percent review in the event that jurisdictions do not provide documentation.**

BJA agrees with this recommendation and stated that in the event that a jurisdiction is unable to provide documentation for any cases, the application for that jurisdiction will be denied and another jurisdiction will be selected to meet the 10 percent review goal. This information will be added to the approved BPS review plan. BJA requests closure of this recommendation.

This recommendation can be closed when BJA provides a copy of the revised BPS review plan that includes guidance on how BJA will meet its 10 percent review goal.



5) Perform a workload analysis to determine if more resources are needed to manage payment programs.

BJA agrees with this recommendation and stated that a review was conducted of the resources devoted to the Payment Programs in late 2010, which determined that additional staff was needed. BJA has hired an additional State Policy Advisor to manage SWBPI and NBPI, while existing staff will manage BVP and SCAAP. BJA also has devoted half of a grant technician's time to assist with verification of BPS cases and enhanced reviews for BVP and SCAAP. BJA requests closure of this recommendation.

Based on BJA's response, we consider this recommendation closed.

6) Develop a method to ensure that internal review documents are electronically signed, dated, and password protected once they are finalized.

BJA agrees with this recommendation and will work with OAAM to establish guidance and procedures in order to ensure internal review documents meet the requirements of this recommendation.

This recommendation can be closed when BJA develops written procedures requiring that documents it creates to verify reimbursement requests and award funds (BVP only) for each payment program be electronically signed,



dated, and password protected once finalized. OAAM will work with BJA to close this recommendation.



Appendix A: Objective, Scope, and Methodology

The objective of this assessment was for the Office of Audit, Assessment, and Management (OAAM) to examine the Bureau of Justice Assistance's (BJA) process for verifying the eligibility and accuracy of reimbursement requests submitted for the Bulletproof Vest Program (BVP), State Criminal Alien Assistance Program (SCAAP), Southwest Border Prosecution Initiative (SWBPI), and Northern Border Prosecution Initiative (NBPI). To meet this objective, OAAM answered the following questions:

- Does BJA have written policies and procedures for the verification process?
- What documentation does BJA require grantees to submit?
- How are internal reviews conducted on applications pre and post award?
- Does the verification process adequately identify ineligible and inaccurate payment requests?
- How did BJA implement the OIG's recommendations for SWBPI?
- What problems has BJA encountered in the verification process?
- How can the process be improved?

The scope of this assessment included all four of BJA's payment programs and all information related to the FY 2010 grant cycle. As part of the data capture process, OAAM collected and reviewed internal and external documents, including the following:

- Program solicitations and guidelines
- Policies and procedures for verification
- Grants Management System (GMS) documentation (for SCAAP)
- SWBPI, NBPI, and BVP database documentation



- Internal data on spreadsheets generated from case reviews, variance checks, or monthly payment batches
- Department of Justice, Office of the Inspector General reports on SWBPI

OAAM also tested BJA procedures for payment verification by FY 2010 data from each program. For SWBPI, NBPI, and SCAAP, we reviewed all FY 2010 payment requests. We pulled a sample of BVP payment requests by selecting 50 jurisdictions. By searching BJA's internal documentation, we compiled a list of all reimbursement requests submitted by each jurisdiction from December 2009 through January 2011, which resulted in 183 requests. We followed BJA's verification procedures for each program to determine if jurisdictions claimed eligible expenses, reimbursements were accurately calculated, and duplicate requests were effectively identified.



Appendix B: BVP grantees selected in OAAM sample

State	Jurisdictions	Number of payment requests found in sample	Total vests received
AK	City of Kenai	1	3
AL	City of Tuscaloosa	6	140
AR	City of Jonesboro	5	80
AZ	City of Flagstaff	12	12
CA	Monterey County	1	41
CO	Jefferson County	1	20
CT	City of Bristol	2	39
DC	Washington, DC	13	441
DE	City of Milford	3	9
FL	City of Miami	3	61
GA	City of Jessup	3	10
HI	City & County of Honolulu	3	9
IA	Iowa City	7	39
ID	City of Twin Falls	5	17
IL	Lake County	7	190
IN	City of Ligonier City	1	11
KS	City of Junction City	3	12



State	Jurisdictions	Number of payment requests found in sample	Total vests received
KS	City of Jeffersontown	7	32
LA	Lafayette City-Parish	2	49
MA	Stoneham Town	8	27
MD	City of Greenbelt	1	7
ME	Maine	4	77
MI	City of Livonia	1	32
MN	Lincoln County	2	7
MO	City of Liberty	1	71
MS	Tupelo	8	32
MT	City of Lewistown	1	3
NC	City of Lexington	4	26
NE	Lancaster County	5	11
NH	City of Keene	4	12
NJ	South Orange Village Township	2	59
MN	Lincoln County	3	6
NV	City of Las Vegas	1	2
NY	Catskill Village	5	8
OH	City of Mason	3	15
OK	City of Norman	1	29
OR	City of McMinnville	9	15
PA	Lower Providence Township	1	22
PR	Ponce Municipality	2	25



State	Jurisdictions	Number of payment requests found in sample	Total vests received
RI	Bristol Town	2	4
SC	Jasper County	1	5
SD	Rapid City	4	24
TN	City of Lewisburg	1	2
TX	City of Lemesa	2	16
UT	Salt Lake County	14	95
VT	City of Montpelier	2	7
WA	Lewis County	3	17
WI	City of Middleton	1	6
WV	Monongah Town	1	1
WY	Natrona County	1	7
Totals		183	1885

Source: Office of Justice Programs, Bulletproof Vest Partnership and the Body Armor Safety Initiative
 Web site: <http://www.ojp.usdoj.gov/bvpbasi/>



Appendix C: BJA Comments

The following pages contain the complete text of comments.



U.S. Department of Justice

Office of Justice Programs

Bureau of Justice Assistance

Office of the Director

Washington, D.C. 20531

October 31, 2011

MEMORANDUM TO: Maureen A. Hennenberg
Director
Office of Audit, Assessment, and Management
Office of Justice Programs

FROM: Denise E. O'Donnell *deorf*
Director, BJA

SUBJECT: Draft Report of the Assessment of Bureau of Justice Assistance
(BJA) Payment Programs Verification Process

Enclosed is BJA's Response to the Office of Audit, Assessment, and Management's Draft Report of the Assessment of Bureau of Justice Assistance (BJA) Payment Programs Verification Process dated October 26, 2011. OAAM's conclusion that BJA is administering its payment programs appropriately to verify the accuracy and eligibility of payments is very encouraging and a reflection on the hard work and dedication of the BJA Programs Office staff.

BJA agrees with the six findings in the Draft Report. Our response to those findings is enclosed. We appreciate OAAM's efforts to review BJA's Payment Programs verification process, and the professionalism with which the assessment was conducted. The recommendations will assist us in our ongoing efforts to provide careful oversight and stewardship over Federal grant funds consistent with our mission at BJA.

Please do not hesitate to contact me or Acting Deputy Director Tracey Trautman should you have any questions or need additional information.

cc: Tracey Trautman
Deputy Director, BJA

Jan Carey
Deputy Director, OAAM

Laurie Robinson
Assistant Attorney General, Office of Justice Programs

Mary Lou Leary
Principal Deputy Director, Office of Justice Programs

Jim Burch
Deputy Assistant Attorney general, Office of Justice Programs

BJA's Comments on the Draft Report

1. Implement additional procedures to identify duplicate payment requests across BVP monthly batch runs.

BJA agrees with this recommendation. BJA is currently developing an update to the BVP system which, in addition to capturing the vest serial number and the officer assigned to each vest, will automatically detect if a jurisdiction entered the same receipt details (vest model, price, vendor, etc) over the previous two year period. They will be prompted to supply a written explanation either affirming that the details are correct for the duplicate sets of vest receipts or will be able to delete the request. Additionally, for those that certify the vest request is accurate, BJA will request the invoice file associated with request to confirm the receipt information is accurate. If the documentation indicates duplicate requests for the same individuals, the grant will be identified for further review and potential audit.

2. Implement a process to identify overlapping requests for detention expenses between BPS and SCAAP grantees.

BJA agrees with this recommendation. In the FY 2011 application cycle, BJA did conduct a review of all SWBPI applications compared against the individuals entered for the same jurisdictions in the SCAAP applications. The SWBPI guidelines state the requirements for entering the same individual on the SWBPI and SCAAP applications:

For jurisdictions that participate in the SWBPI and State Criminal Alien Assistance Program (SCAAP), do not include inmate records that are submitted in the SWBPI application unless you can verify that the inmate records submitted in the SWBPI application are only for pre-trial detention and the SCAAP inmate records for the same individual are for the post trial detention.

In other words, jurisdictions can claim the same individual for detention costs as long as the SWBPI days claimed are pre-trial and the SCAAP days claimed are post trial. The FY 2011 SWBPI-SCAAP review found 58,822 unallowable and overlapping detention days in the SCAAP and SWBPI applications. Approximately \$5.8 million in total application value was removed from the SWBPI applications prior to the award generation. BJA will continue this review process in future application cycles before awards are made to prevent duplication. BJA requests closure for this recommendation.

3. Seek reimbursement for duplicate expenses paid to Sacramento, CA, under BPS or SCAAP in FY 2010.

BJA agrees with this recommendation and is in the process of reviewing all FY 2010 SWBPI-SCAAP applications for detention duplication using the same methodology as in FY 2011. BJA will require all jurisdictions to return funds if overlapping detention days are found, and will seek the return of funds from Sacramento at the completion of this review. BJA plans to complete this review by the end of December, 2011.

4. Expand current procedures for the SWBPI case review to more thoroughly explain sampling procedures that address how BJA will meet its goal of a 10 percent review in the event that jurisdictions do not provide documentation.

BJA agrees with the recommendation. In the event that a jurisdiction is unable to provide documentation for any cases, the application for that jurisdiction will be denied and another jurisdiction will be selected to meet the 10 percent review goal. This information will be added to the approved BPS review plan. BJA requests closure for this recommendation.

5. Perform a workload analysis to determine if more resources are needed to manage payment programs.

BJA agrees with the recommendation. BJA conducted a review of the resources devoted to the Payments Programs in late 2010, and determined that additional staffing was needed. BJA has now hired an additional State Policy Advisor to manage two of the Payment Programs (SWBPI and NBPI), while the existing staff member handles the Bulletproof Vest Program and the State Criminal Alien Assistance Program. As well, BJA has devoted 50% of a grant technician's time in order to assist with verification of BPS cases and enhanced reviews for BVP and SCAAP. BJA will revisit this staffing model again in FY 2012 to determine if it is sufficient. BJA requests closure for this recommendation.

6. Develop a method to ensure that internal review documents are electronically signed, dated, and password protected once they are finalized.

BJA agrees with this recommendation and will work with OAAM to establish guidance and procedures in order to ensure internal review documents meet these requirements.