



**AUDIT OF THE
OFFICE OF JUSTICE PROGRAMS
EDWARD BYRNE MEMORIAL
JUSTICE ASSISTANCE GRANT PROGRAM
GRANTS AWARDED TO THE
CITY OF SUISUN CITY, CALIFORNIA**

U.S. Department of Justice
Office of the Inspector General
Audit Division

Audit Report GR-90-11-005
August 2011

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EXECUTIVE SUMMARY

The U.S. Department of Justice Office of the Inspector General, Audit Division, has completed an audit of a Recovery Act Edward Byrne Memorial Justice Assistance Grant Program (JAG) grant (2009-SB-B9-0537) and a non-Recovery Act JAG grant (2009-DJ-BX-0455) awarded by the Office of Justice Programs (OJP), Bureau of Justice Assistance to the City of Suisun City, California (Suisun City). The purpose of the two grants was to fund criminal justice operations in Solano County, California at both the county level and in the cities of Benicia, Dixon, Fairfield, Suisun City, Vacaville, and Vallejo. Suisun City served as the fiscal agent for both of these disparate jurisdictions awards.¹ OJP had awarded Suisun City a total of \$1,246,494 for both grants. As of December 31, 2010, Suisun City along with the other disparate jurisdictions had expended a total of \$839,023 (67 percent) of the grant awards.

**EXHIBIT 1
JAG GRANTS AWARDED TO
SUISUN CITY AND DISPARATE JURISDICTIONS**

GRANT AWARDS	AWARD START DATE	AWARD END DATE ²	AWARD AMOUNT
2009-DJ-BX-0455	10/01/08	09/30/12	\$ 231,564
2009-SB-B9-0537	03/01/09	02/28/13	1,014,930
Total			\$1,246,494

Source: OJP

¹ According to OJP, in a "disparate jurisdictions" situation, multiple units of local government apply for an award with a single joint application. The recipient serving as fiscal agent submits the application on behalf of its fellow sub-recipients. The responsibilities of the fiscal agent and sub-recipients are established in a Memorandum of Understanding between the entities. Suisun City fulfilled the role of fiscal agent for both the Recovery Act JAG grant and the non-Recovery Act JAG grant.

² The Award End Date includes all time extensions approved by OJP.

The purpose of the Bureau of Justice Assistance's JAG Program is to enable states, tribes, and local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions. JAG funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice for any one or more of the following purpose areas:

- Law enforcement programs
- Prosecution and court programs
- Prevention and education programs
- Corrections and community corrections programs
- Drug treatment programs
- Planning, evaluation, and technology improvement programs
- Crime victim and witness programs (other than compensation)

Recovery Act

On February 17, 2009, the President signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act). The purposes of the Recovery Act are to: (1) preserve and create jobs and promote economic recovery; (2) assist those most impacted by the recession; (3) provide investments needed to increase economic efficiency by spurring technological advances in science and health; (4) invest in transportation, environmental protection, and other infrastructure that will provide long term economic benefits; and (5) stabilize state and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

Through Recovery Act JAG funding, the Department of Justice focused support on all components of the criminal justice system, including multi-jurisdictional drug and gang task forces; crime prevention and domestic violence programs; and courts, corrections, treatment, and justice information sharing initiatives. Recovery Act JAG funded projects could address crime by providing services directly to individuals and communities and by improving the effectiveness and efficiency of criminal justice systems, processes, and procedures.

Audit Results

The purpose of our audit was to determine whether costs claimed under the Grants 2009-SB-B9-0537 and 2009-DJ-BX-0455 were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, terms and conditions of the grants. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program performance and accomplishments; and (11) post end date activity. We determined that indirect costs, matching, budget management, and post end date activity were not applicable to these grants.

As a result of our audit, we found that Suisun City generally complied with essential grant requirements and grant expenditures were properly authorized, classified, and supported. We also physically verified a sample of property items that were purchased with grant funds and found the items were being utilized for grant-related purposes. Additionally, as the fiscal agent for both JAG grants, Suisun City complied with grant requirements and it monitored its sub-recipients to ensure that the sub-recipients likewise adhered to grant requirements. Finally, Suisun City submitted the required financial, programmatic, and Recovery Act reports in a timely manner and the information in the Progress Reports was accurate.

However, we found that the expenditure information recorded on Suisun City's Financial Status Reports and Recovery Act reports did not match the expenditure information in the official accounting records. Further, we found that Suisun City and all of its sub-recipients, except the City of Fairfield, California (Fairfield), either completed their objectives as described in the grant applications or were in the process of fulfilling their objectives. Fairfield's objectives for both grants included the purchase and installation of camera equipment. At the time of our review, we noted that Fairfield had yet to purchase and install the camera equipment.

The results of our audit are discussed in detail in the Findings and Recommendations section of this report. We discussed the results of our audit with Suisun City officials and have included their comments in the report, as applicable. Our report contains two recommendations to OJP. Further, we requested from Suisun City and OJP written responses to our draft report, which we received and are included in Appendices II and III respectively. Our audit objective, scope, and methodology are discussed in Appendix I.

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INTRODUCTION

The U.S. Department of Justice Office of the Inspector General (OIG), Audit Division, has completed an audit of a Recovery Act Edward Byrne Memorial Justice Assistance Grant Program (JAG) grant (2009-SB-B9-0537) and a non-Recovery Act JAG grant (2009-DJ-BX-0455) awarded by the Office of Justice Programs (OJP), Bureau of Justice Assistance to the City of Suisun City, California (Suisun City). The purpose of the two grants was to fund criminal justice operations in Solano County, California, at both the county level and in the cities of Benicia, Dixon, Fairfield, Suisun City, Vacaville, and Vallejo. Suisun City served as the fiscal agent for both of these disparate jurisdictions awards.¹ OJP had awarded Suisun City a total of \$1,246,494 for both grants. As of December 31, 2010, Suisun City along with the other disparate jurisdictions had expended a total of \$839,023 (67 percent) of the grant awards.

EXHIBIT 1 JAG GRANTS AWARDED TO SUISUN CITY AND DISPARATE JURISDICTIONS

GRANT AWARDS	AWARD START DATE	AWARD END DATE ²	AWARD AMOUNT
2009-DJ-BX-0455	10/01/08	09/30/12	\$ 231,564
2009-SB-B9-0537	03/01/09	02/28/13	1,014,930
Total			\$1,246,494

Source: OJP

The purpose of our audit was to determine whether costs claimed under Grants 2009-DJ-BX-0455 and 2009-SB-B9-0537 were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program

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² The Award End Date includes all time extensions approved by OJP.

performance and accomplishments; and (11) post end date activity. We determined that indirect costs, matching, budget management, and post end date activity were not applicable to these grants.

Recovery Act

On February 17, 2009, the President signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act), which provided \$787 billion for tax cuts, education, health care, entitlement programs, contracts, grants, and loans. The purposes of the Recovery Act were to: (1) preserve and create jobs and promote economic recovery; (2) assist those most impacted by the recession; (3) provide investments needed to increase economic efficiency by spurring technological advances in science and health; (4) invest in transportation, environmental protection, and other infrastructure that will provide long term economic benefits; and (5) stabilize state and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

The Department of Justice received \$4 billion in Recovery Act funds and made almost \$2 billion of that funding available through the Bureau of Justice Assistance's JAG program. Through Recovery Act JAG funding, the Department of Justice focused support on all components of the criminal justice system, including multi-jurisdictional drug and gang task forces; crime prevention and domestic violence programs; and courts, corrections, treatment, and justice information sharing initiatives. Recovery Act JAG funded projects have assisted grantees in addressing crime by providing services directly to communities and by improving the effectiveness and efficiency of criminal justice systems, processes, and procedures.

Background

The city of Suisun City is located in the county of Solano, California, about 45 miles Northeast of San Francisco. In addition to Suisun City, the county is home to the cities of Benicia, Dixon, Fairfield, Vacaville, and Vallejo. According to the California Department of Justice, Solano County ranked 15th among the state's 58 counties in the number of incidents of violent crime.³ Solano County ranked 10th in the state in its overall crime rate, defined as incidents per 100,000 population. Solano County's unemployment rate reached 13 percent in March 2010, nearly double the pre-recession unemployment rate recorded in September 2008.

³ According to California Department of Justice, violent crime includes homicide, forcible rape, robbery, and aggravated assault.

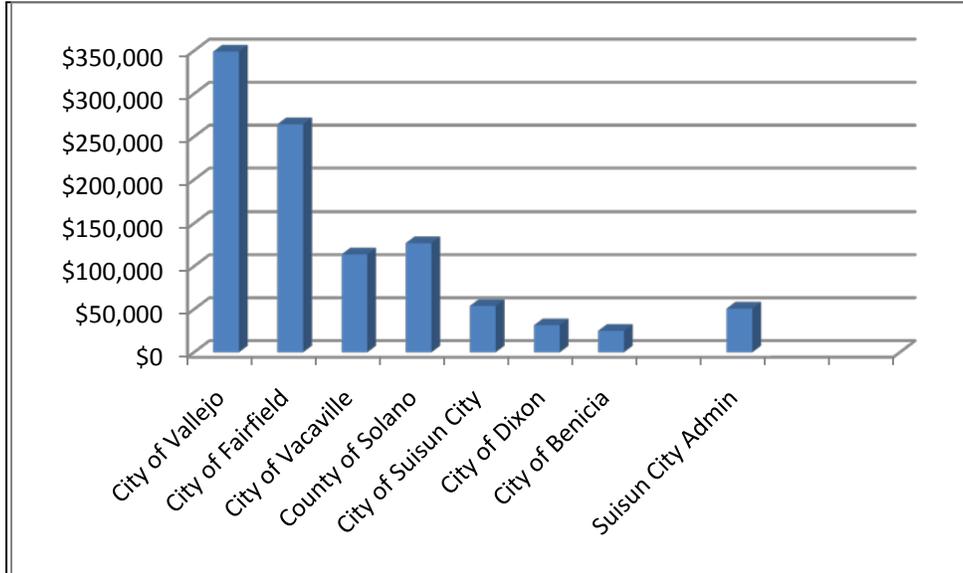
The purpose of the Bureau of Justice Assistance's JAG Program is to enable states, tribes, and local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions. JAG funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and criminal justice information systems in any one or more of the following purpose areas:

- Law enforcement programs
- Prosecution and court programs
- Prevention and education programs
- Corrections and community corrections programs
- Drug treatment programs
- Planning, evaluation, and technology improvement programs
- Crime victim and witness programs (other than compensation)

In fiscal year (FY) 2009, Suisun City applied for and received Recovery Act JAG funding as well as non-Recovery Act JAG funding for itself as well as on behalf of the Solano County and the cities of Benicia, Dixon, Fairfield, Vacaville, and Vallejo.⁴ As shown in Exhibits 2 and 3, the largest share of both grants was allocated to the City of Vallejo, California (Vallejo).

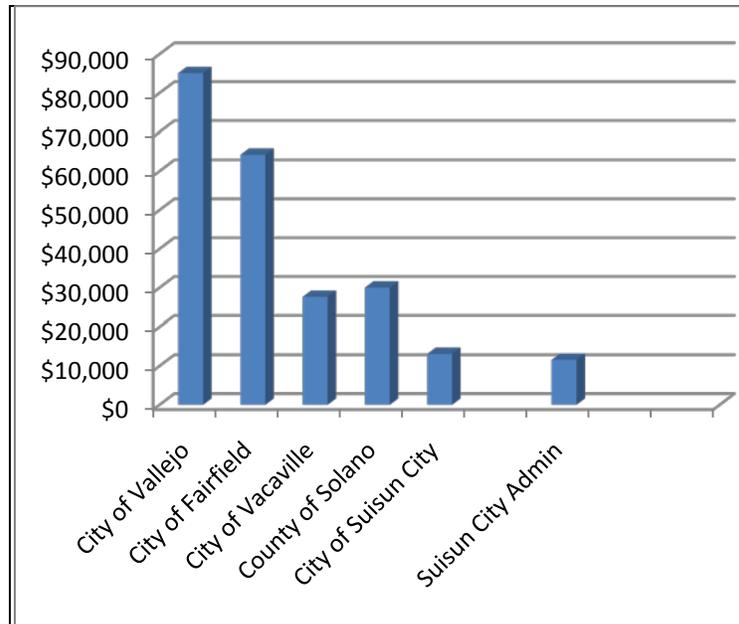
⁴ As reflected in Exhibits 2 and 3, the cities of Benicia and Dixon only received Recovery Act JAG funding.

**EXHIBIT 2
ALLOCATION OF RECOVERY ACT JAG GRANT
2009-SB-B9-0537**



Source: OJP

**EXHIBIT 3
ALLOCATION OF NON-RECOVERY ACT JAG GRANT
2009-DJ-BX-0455**



Source: OJP

The majority of the funds from both grants was allocated for personnel costs to Solano County and the cities of Dixon, Fairfield, Vacaville, and Vallejo. The remainder of the grant funding was allocated for equipment purchases, such as laptop computers, cameras, mobile radios, and handheld

radar units for Solano County and the cities of Benicia, Fairfield, and Suisun City.

In May 2008, Vallejo declared bankruptcy under Chapter 9 of the United States Bankruptcy Code.⁵ In December 2009, the Vallejo City Council approved the elimination of 6 sworn police officers from the previously reduced ranks of the Vallejo Police Department, leaving the department with 104 sworn police officers, down 42 from the 146 employed in December 2007. Both grants provided funding for a portion of Vallejo's personnel costs, thereby offsetting by one full time equivalent Vallejo's planned reduction of sworn police officers.

OIG Audit Approach

We tested Suisun City's compliance with what we consider to be the most important conditions of the grant awards. Unless otherwise stated in our report, the criteria we audited against are contained in the *OJP Financial Guide*, award documents, Code of Federal Regulations, Office of Management and Budget (OMB) Circulars, and the Recovery Act. Specifically, we tested:

- **Internal Control Environment** – to determine whether the internal controls in place for the processing and payment of funds were adequate to safeguard the funds awarded to Suisun City and ensure compliance with the terms and conditions of the grants.
- **Drawdowns** – to determine whether drawdowns were adequately supported and if Suisun City was managing receipts in accordance with federal requirements.
- **Program Income** – to determine how Suisun City accounted for program income in its financial management system and whether it used the program income in accordance with established criteria.
- **Expenditures** – to determine whether costs charged to the grant, including payroll, fringe benefits, and indirect costs (if applicable), were accurate, adequately supported, and allowable, reasonable, and allocable. In addition, we tested expenditures related to the purchase of accountable property and equipment to determine whether Suisun City recorded accountable property and equipment

⁵ Chapter 9 of the United States Bankruptcy Code provides for the reorganization of municipalities, which includes cities and towns, as well as counties, taxing districts, municipal utilities, and school districts.

in its inventory records, indentified it as federally funded, and utilized the accountable property and equipment consistent with the grants.

- **Monitoring of Sub-recipients and Contractors** – to determine if Suisun City provided adequate oversight and monitoring of its sub-recipients and contractors.
- **Reporting** – to determine if the required financial, programmatic, and Recovery Act reports were submitted on time and accurately reflect grant activity.
- **Award Requirements** – to determine whether Suisun City complied with award guidelines, special conditions, and solicitation criteria.
- **Program Performance and Accomplishments** – to determine whether Suisun City made a reasonable effort to accomplish stated objectives.

The results of our audit are discussed in detail in the Findings and Recommendations section of this report. We discussed the results of our audit with Suisun City officials and have included their comments in the report, as applicable. Our report contains two recommendations to OJP. Further, we requested from Suisun City and OJP written responses to our draft report, which we received and are included in Appendices II and III respectively. The audit objective, scope, and methodology are discussed in Appendix I.

FINDINGS AND RECOMMENDATIONS

We found that Suisun City generally complied with essential grant requirements. Grant expenditures were generally properly authorized, classified, and supported and we physically verified a sample of property items that were purchased with grant funds and we found the items were being utilized for grant-related purposes. As the fiscal agent for both JAG grants, Suisun City generally complied with grant requirements and it monitored its sub-recipients to ensure that its sub-recipients likewise adhered to grant requirements. Also, Suisun City submitted the required Financial Status Reports (FSR), Progress Reports, and Recovery Act reports in a timely manner. The information in the Progress Reports for the two grants was accurate. However, we found that the expenditure information recorded on Suisun City's FSRs and Recovery Act reports did not match the expenditure information in the official accounting records. Further, we found that Suisun City and all of its sub-recipients, except the City of Fairfield, California (Fairfield), either completed their objectives as described in the grant applications or were in the process of fulfilling their objectives. Fairfield's objectives for both grants included the purchase and installation of camera equipment. At the time of our review, we noted that Fairfield had yet to purchase and install the camera equipment. As a result of our findings, we made two recommendations.

Internal Control Environment

We reviewed Suisun City's policies and procedures, Single Audit Report, and financial management system to assess the city's risk of noncompliance with laws, regulations, guidelines, and terms and conditions of the grant. We also interviewed Suisun City officials regarding internal controls over purchasing, payroll, and accounts payable and we reviewed the documents and processes in place to ensure the accuracy of data entered into Suisun City's financial management system.

Single Audit

According to OMB Circular A-133, non-federal entities that expend \$500,000 or more in federal awards in a year shall have a Single Audit conducted. The most recent Single Audit available for Suisun City was for FY 2010.⁶ We reviewed Suisun City's FY 2010 Single Audit Report and found that the independent auditors issued an unqualified opinion and had no findings.

Financial Management System

The *OJP Financial Guide* requires that all grant fund recipients "establish and maintain adequate accounting systems and financial records to accurately account for funds awarded to them." The Guide additionally requires that the accounting system provide adequate maintenance of financial data to enable planning, control, and measurement. The Guide also requires that grantees separately account for each award and not commingle grant funds.

We found that Suisun City adequately maintained grant-related financial records and data. Also, Suisun City utilized an accounting system entitled Multiple Operations Management System. Based on our overall review of grant-related transactions that were recorded in Suisun City's accounting system, we found that the system accurately accounted for grant-related receipts and expenditures. Further, we found grant-related transactions were separately tracked from all other funding.

Drawdowns

According to the solicitations for both the 2009 Recovery Act and non-Recovery Act JAG grants, units of local government may draw down any or all funds after acceptance of the award. On September 17, 2009, Suisun City drew down \$1,014,929 for Grant 2009-SB-B9-0537, which was essentially the total award amount less \$1. Likewise, on November 12, 2009, Suisun City drew down \$231,563 for Grant 2009-DJ-BX-0455, which also was essentially the total award amount less \$1. Both drawdowns were made on an advanced basis and as of December 31, 2010, \$261,339 of grant funds related to the Recovery Act JAG grant remained unexpended and \$146,132 of grant funds related to the non-Recovery Act JAG grant remained unexpended.

⁶ Suisun City's fiscal year is from July 1 through June 30.

According to the grant solicitations, Suisun City was allowed to draw down each grant award amount as an advance in its entirety, as long as it established a trust fund that separately accounted for the grant funds. We found that Suisun City properly segregated grant funds within its official accounting system in accordance with OJP's requirements. Further, Suisun City, in its capacity as fiscal agent for the disparate jurisdictions, distributed these grant funds to the other Solano County recipients on a reimbursement basis.

Program Income

According to the *OJP Financial Guide*, interest earned on JAG funding is considered program income and it should be expended only on allowable purpose areas under the JAG program. Also, program income should be used within the grant period and any unexpended program income should be remitted to OJP.

As of December 31, 2010, Suisun City had earned grant-related interest income totaling \$23,239 for both grants (\$18,787 related to the Recovery Act JAG grant and \$4,452 related to the non-Recovery Act JAG grant). Suisun City correctly recorded this interest income in each separate grant account in its financial management system and as a result, these funds were available to be used on grant-related purposes.

According to the Memoranda of Understanding (MOU) that Suisun City signed with its grant sub-recipients, it was agreed that all interest income earned would be made available to the Suisun City Police Department. As of December 31, 2010, the Suisun City Police Department had not yet expended any of the \$23,239 in program income resulting from earned interest.

Expenditures

As of June 30, 2010, Suisun City and its disparate jurisdictions charged a total of \$486,721 in grant-related expenditures to the two JAG grants. This included \$447,942 in expenditures for the Recovery Act JAG grant and \$38,779 in expenditures for the non-Recovery Act JAG grant. We judgmentally selected a sample of 23 transactions totaling \$438,105 (90 percent): \$413,018 related to the Recovery Act JAG grant and \$25,087 related to the non-Recovery Act JAG grant. Exhibits 4 and 5 show the breakdown of expenditures for the two grants.

**EXHIBIT 4
SUMMARY OF SAMPLED EXPENDITURES BY RECIPIENT
RECOVERY ACT JAG GRANT 2009-SB-B9-0537**

AGENCY	PERSONNEL	EQUIPMENT	GRANT ADMIN- ISTRATION	TOTAL
Suisun City	\$ 0	\$30,500	\$6,561	\$ 37,061
Benicia	0	0	0	0
Dixon	0	0	0	0
Fairfield	34,811	0	0	34,811
Solano County	58,506	0	0	58,506
Vacaville	45,986	0	0	45,986
Vallejo	236,654	0	0	236,654
Subtotal	\$375,957	\$30,500	\$6,561	\$413,018

Source: Suisun City

**EXHIBIT 5
SUMMARY OF SAMPLED EXPENDITURES BY RECIPIENT
NON-RECOVERY ACT JAG GRANT 2009-DJ-BX-0455**

AGENCY	PERSONNEL	EQUIPMENT	GRANT ADMIN- ISTRATION	TOTAL
Suisun City	\$ 0	\$ 0	\$730	\$ 730
Fairfield	0	0	0	0
Solano County	0	0	0	0
Vacaville	24,357	0	0	24,357
Vallejo	0	0	0	0
Subtotal	\$24,357	\$ 0	\$730	\$25,087

Source: Suisun City

Personnel Expenses

Suisun City's sub-recipients billed Suisun City on a periodic basis for the personnel expenditures that each sub-recipient incurred. We judgmentally selected a total of 14 such billings for personnel costs charged to both grants, totaling \$400,314, in order to perform more detailed testing.

Grant 2009-SB-B9-0537

We identified 11 transactions, totaling \$375,957 in personnel costs charged to the Recovery Act JAG grant. Vallejo had the majority of the personnel costs with a total of \$236,654 (63 percent) for the salaries and fringe benefits of one police officer and overtime for multiple sworn police officers. In addition, the Solano County District Attorney's Office charged \$58,506 (16 percent) in personnel costs related to its forensics laboratory director. The remainder of personnel costs charged against the grant, included \$45,986 (12 percent) for part time family support workers employed by the city of Vacaville, and \$34,811 (9 percent) for part time Police Activities League recreational staff and instructors hired by Fairfield. All transactions that we reviewed were properly authorized, accurately recorded, and adequately supported by timesheets, payroll registers, and canceled checks.

Grant 2009-DJ-BX-0455

We identified three transactions, totaling \$24,357 in personnel costs charged to the non-Recovery Act JAG grant. All three transactions were related to city of Vacaville's part time administrative clerk who worked in its Investigative Services Division. All transactions reviewed were properly authorized, accurately recorded, and adequately supported by timesheets and canceled checks.

Equipment

According to the *OJP Financial Guide*, property acquired with grant funds should be used for the purposes stated in the grant application. Further, grant recipients must maintain records on the source of property items that were acquired using grant funds.

We judgmentally selected \$30,500 in equipment costs, all of which was charged against the Recovery Act JAG grant; the non-Recovery Act JAG grant had no equipment related charges. The \$30,500 in equipment purchases included handheld radars, laptop computers, and mobile radios. The equipment purchases were comprised of five transactions, which we reviewed and found the equipment expenditures to be properly authorized, accurately recorded in Suisun City's grant-related accounting records, and adequately supported by purchase orders, invoices, and canceled checks.

Further, we judgmentally selected from Suisun City's equipment purchases a sample of 20 property items that included handheld computers, printers, and mobile radios. We physically verified all sample property items

and determined that the equipment items were being utilized for grant-related purposes. Further, we found that all sampled property items were properly recorded and identified as federally funded, with the exception of one radio whose location was inaccurately recorded on Suisun City's property records. The radio in question was located in a different police squad car than what was indicated on the property records. Suisun City's Grant Administrator acknowledged the error and we observed him correct the error in Suisun City's property records.

Administrative Costs

As the fiscal agent for the Recovery Act and non-Recovery Act JAG grants and in accordance with the respective MOUs for the two grants, Suisun City was allocated 5 percent of each award to cover the costs of administering the grants. This meant that Suisun City was entitled to receive \$50,746 from the Recovery Act JAG grant and \$11,578 from the non-Recovery Act JAG grant as reimbursement for administrative costs.

As part of our sample selection, we judgmentally selected for testing a total of \$7,291 in administrative costs that Suisun City charged to both grants. These charges were comprised of four transactions, which included: overtime charges related to grant administration and travel charges for grant administrators to attend a OJP financial management seminar in Washington, D.C. We found all administrative expenditures that we tested to be properly authorized, accurately recorded in grant-related accounting records, and adequately supported by timesheets, invoices, and receipts.

Monitoring of Sub-recipients and Contractors

As the fiscal agent for both JAG grants, Suisun City was responsible for ensuring that all sub-recipients met the requirements of the both the Recovery Act JAG program as well as the non-Recovery Act JAG program. We interviewed the Suisun City Grant Administrator and reviewed grant-related documentation, including correspondence between the Grant Administrator and the grants' sub-recipients. Based on our review, we determined that Suisun City's management of funds and its monitoring of the grants' sub-recipients was adequate to ensure compliance with grant requirements.

Management of Funds

According to the MOUs for both the Recovery Act and non-Recovery Act JAG grants, Suisun City was responsible for maintaining custody of grant funds until disbursement was necessary. The MOUs further stipulated that

funds were to be disbursed on a quarterly basis, and only upon submission and approval of quarterly reports. We reviewed all of Suisun City's disbursements that it made to sub-recipients during the review period and found that funds were disbursed in accordance with the MOUs, were properly authorized, and adequately supported. Therefore, based on our testing, we determined that Suisun City's process for managing grant funds was adequate to ensure accountability for sub-recipients' fund requests.

Monitoring

Grant monitoring is an essential tool to ensure that grant programs are implemented, objectives are achieved, and grant funds are properly expended. To this end, OJP requires that sub awards be monitored throughout the life of the grant to ensure that: (1) sub-recipients comply with essential grant requirements; (2) programs initiated by the sub-recipients are carried out in a manner consistent with the requirements of the grant program; (3) sub-recipients are provided guidance on policies and procedures, grant program requirements, general federal regulations, and basic programmatic, administrative, and financial reporting requirements; and (4) any problems that may impede the effective implementation of grant programs are identified and resolved.

We observed that Suisun City's approach to monitoring included a combination of reminder notices, technical assistance, and report templates that the Suisun City Grant Administrator had developed to ensure that the financial and program data it received from the sub-recipients was consistent and complete. In addition, we noted that the Grant Administrator provided ongoing technical assistance on grant-related issues to sub-recipients, usually via e-mail. In general, we found that this system of reminders, report templates, and technical assistance was adequate to ensure that sub-recipients complied with essential grant requirements.

Reporting

According to the *OJP Financial Guide*, award recipients are required to submit both financial and programmatic reports. These reports include: a description of the status of the funds and the projects funded by the grants, a comparison between actual accomplishments and the grant objectives, and other pertinent information. We reviewed Suisun City's FSRs, Progress Reports, and Recovery Act Reports to determine whether these reports were submitted in a timely manner and whether these reports were accurate. We noted that sub-recipients did not report separately to OJP. Instead, the Suisun City Grant Administrator submitted consolidated financial and progress reports on behalf of Suisun City and its sub-recipients.

Financial Status Reports

According to the *OJP Financial Guide*, FSRs are due to OJP no later than 45 days after the end of each quarter, with the final FSR due within 90 days after the grant end date. We reviewed four of the most recent FSRs submitted for both grants at the time of our audit fieldwork. We found that Suisun City submitted these FSRs to OJP in a timely manner, as shown in Exhibits 6 and 7.

EXHIBIT 6 FINANCIAL STATUS REPORTS HISTORY FOR RECOVERY ACT JAG GRANT 2009-SB-B9-0537

REPORT No.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
3	07/01/09 - 09/30/09	11/14/09	11/13/09	0
4	10/01/09 - 12/31/09	02/14/09	01/31/10	0
5	01/01/10 - 03/31/10	05/15/10	04/29/10	0
6	04/01/10 - 06/30/10	08/14/10	07/31/10	0

Source: Suisun City and OJP

EXHIBIT 7 FINANCIAL STATUS REPORTS HISTORY FOR NON-RECOVERY ACT JAG GRANT 2009-DJ-BX-0455

REPORT No.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
4	07/01/09 - 09/30/09	11/14/09	11/13/09	0
5	10/01/09 - 12/31/09	02/14/09	01/31/10	0
6	01/01/10 - 03/31/10	05/15/10	05/15/10	0
7	04/01/10 - 06/30/10	08/14/10	07/31/10	0

Source: Suisun City and OJP

We also reviewed the contents of each FSR to determine whether the reports contained accurate information related to actual expenditures, unliquidated obligations incurred during the reporting period, and cumulative expenditures for the award. Based on our review, we found that the expenditure amounts as recorded on the FSRs were significantly different from the grant related expenditures recorded in Suisun City's accounting records. In addition, we found that for the reporting periods ending September 30, 2009, and December 31, 2009, Suisun City omitted from its FSRs cumulative program income resulting from interest earned.

Specifically, a total of \$2,442 and \$7,571 in cumulative interest earned was omitted from Suisun City's FSRs ending September 30, 2009, and December 31, 2009, respectively. Suisun City's Grant Administrator acknowledged this oversight and Suisun City corrected the omission on its FSRs for the quarter ending March 31, 2010.

Exhibits 8 and 9 provide the specific differences in cumulative expenditures between the FSRs that Suisun City submitted to OJP and Suisun City's official accounting system. According to the *OJP Financial Guide*, ". . . award recipients will report program outlays and revenue on a cash or accrual basis in accordance with their accounting system." We asked Suisun City's Grant Administrator why its FSRs were notably different from Suisun City's official accounting records. The Grant Administrator explained that he prepared the FSRs based primarily on the financial reports that he received from the sub-recipients, which included grant related expenditures that had not yet been recorded in Suisun City's accounting system. We recommend that OJP ensure that Suisun City submit accurate FSRs that are consistent with its accounting system.

**EXHIBIT 8
ACCURACY OF SUISUN CITY'S FINANCIAL STATUS REPORTS FOR
RECOVERY ACT JAG GRANT 2009-SB-B9-0537**

REPORT NO.	REPORTING PERIOD	FSRs: CUMULATIVE EXPENDITURES	ACCOUNTING RECORDS: CUMULATIVE EXPENDITURES	DIFFERENCE BETWEEN FSRs AND ACCOUNTING RECORDS
3	07/01/09 - 09/30/09	\$ 197,850	\$ 28,298	\$ 169,552
4	10/01/09 - 12/31/09	304,879	151,696	153,183
5	01/01/10 - 03/31/10	444,835	158,894	285,941
6	04/01/10 - 06/30/10	\$578,813	\$447,942	\$130,871

Source: Suisun City and OJP

EXHIBIT 9
ACCURACY OF SUISUN CITY'S FINANCIAL STATUS REPORTS FOR
NON-RECOVERY ACT JAG GRANT 2009-DJ-BX-0455

REPORT NO.	REPORTING PERIOD	FSRs: CUMULATIVE EXPENDITURES	ACCOUNTING RECORDS: CUMULATIVE EXPENDITURES	DIFFERENCE BETWEEN FSRs AND ACCOUNTING RECORDS
4	07/01/09 - 09/30/09	\$ 7,629	\$ 0	\$ 7,629
5	10/01/09 - 12/31/09	16,463	617	15,846
6	01/01/10 - 03/31/10	25,087	8,246	16,841
7	04/01/10 - 06/30/10	\$85,105	\$38,779	\$46,326

Source: Suisun City and OJP

Annual Progress Reports

The *OJP Financial Guide* requires grantees to submit Progress Reports semiannually for discretionary awards and annually for block or formula awards. Since the two grants we audited were formula grant awards, they were subject to an annual progress reporting requirement. Suisun City was required to submit one report during the award period for each grant. The two Progress Reports that Suisun City submitted to OJP were accurate and submitted in a timely manner.

EXHIBIT 10
PROGRESS REPORT HISTORY FOR
RECOVERY ACT JAG GRANT 2009-SB-B9-0537

REPORT NO.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
1	03/01/09 - 09/30/09 ⁷	12/31/09	11/17/09	0

Source: Suisun City and OJP

⁷ According to the *OJP Financial Guide*, grantees that have received formula grants are required to submit annual progress reports that correspond to the federal fiscal year. This means that grantees have until December 31st of each year to submit their progress reports for the 12-month period ending September 30th. Therefore, Suisun City's first progress report for its Recovery Act JAG grant covered less than a 12-month period.

**EXHIBIT 11
PROGRESS REPORT HISTORY FOR
NON-RECOVERY ACT JAG GRANT 2009-DJ-BX-0455**

REPORT NO.	REPORTING PERIOD	REPORT DUE DATE	DATE SUBMITTED	DAYS LATE
1	10/01/08 - 09/30/09	12/31/09	11/17/09	0

Source: Suisun City and OJP

Quarterly Recovery Act Reports

Section 1512 of the Recovery Act requires recipients of Recovery Act funds to report to the Recovery Act website (FederalReporting.gov) related expenditures and the number of jobs created or saved as a result of Recovery Act funding. Suisun City was required to submit quarterly reports that were due 10 days after the close of each quarter. We reviewed three of the most recent Recovery Act reports at the time of our audit fieldwork. We found that all of these reports were submitted in a timely manner, as required.

We also tested to determine if the reports were accurate in reporting Recovery Act-related cumulative expenditures and the number of jobs saved or created. We found that the cumulative expenditures that were included in Suisun City's Recovery Act reports differed significantly from Suisun City's official accounting records. Exhibit 12 provides detailed comparisons between the Recovery Act reports and Suisun City's accounting records.

**EXHIBIT 12
ACCURACY OF SUISUN CITY'S RECOVERY ACT REPORTS
RECOVERY ACT JAG GRANT 2009-SB-B9-0537**

REPORT NO.	REPORTING PERIOD	RECOVERY ACT REPORT: CUMULATIVE EXPENDITURES	ACCOUNTING RECORDS: CUMULATIVE EXPENDITURES	DIFFERENCE BETWEEN RECOVERY ACT REPORT AND ACCOUNTING RECORDS
3	07/01/09 - 09/30/09	\$126,582	\$ 28,298	\$ 98,284
4	10/01/09 - 12/31/09	304,879	151,696	153,183
5	01/01/10 - 03/31/10	\$444,835	\$158,894	\$285,941

Source: Suisun City and OJP

With regards to the information in the Recovery Act reports related to jobs saved or created, we verified the full time equivalent data in the report covering the first quarter of 2010 by tracing the data to

supporting documentation. As a result, we found that Suisun City accurately reported the number of jobs saved or created in its Recovery Act report for the first quarter of 2010.

Award Requirements

We reviewed Suisun City's grant award documentation to identify any additional special requirements that OJP placed upon Suisun City as conditions of both grant awards. We found that Suisun City and its sub-recipients complied with these additional special requirements for both grants.

Program Performance and Accomplishments

According to the grant applications for both the Recovery Act and non-Recovery Act JAG grants, the overall purpose of the grants was to "infuse *urgently* needed funding to support law enforcement programs in Solano County."⁸ Toward that end, the program narratives of the respective grants stated that projects would be started upon receipt of funding, or shortly thereafter, usually within the first quarter. As of March 2011, Suisun City and its sub-recipients accomplished, or were in the process of accomplishing, the grant objectives for both grants, except for two instances where progress in accomplishing grant objectives was lagging. Specifically, Fairfield planned to use Recovery Act and non-Recovery Act JAG grant funds to purchase closed circuit cameras, install them in high crime areas, and connect the cameras to Fairfield's public safety camera network. According to the grant applications, Fairfield should have purchased and installed the cameras by December 31, 2009. However, as of March 2011, the cameras had not yet been purchased.

⁸ According to the Bureau of Labor Statistics, the unemployment rate for Solano County nearly doubled during the grant period, going from 7.4 percent in October 2008, to 13 percent in March 2010.

**EXHIBIT 13
GRANT PERFORMANCE AND ACCOMPLISHMENTS
RECOVERY ACT JAG GRANT 2009-SB-B9-0537**

AGENCY	OBJECTIVE ACCORDING TO GRANT APPLICATION	STATUS AS OF MARCH 1, 2011
Benicia	Purchase laptop computers.	Completed.
Dixon	Fund retention of narcotics officer position.	Progress ongoing.
Fairfield	Fund recreational staff and instructors for Police Activities League.	Progress ongoing.
Fairfield	Purchase 10 closed circuit cameras for high-crime areas.	Not yet completed. Estimate completion date: July 2011.
Solano County District Attorney Office	Fund forensics lab director position.	Progress ongoing.
Suisun City	Purchase radar units, mobile radios, an online crime reporting system, electronic citation devices, license plate recognition system, and equipment for Special Enforcement Team.	Progress ongoing.
Vacaville	Fund two part time family support workers.	Progress ongoing.
Vallejo	Fund one full time police officer position and sworn officer overtime.	Progress ongoing.

Source: Suisun City and OJP

Suisun City – The Suisun City Grant Administrator stated that the license plate recognition system was delayed while Suisun City waited for the manufacturer to implement a newly developed camera for the system. The Grant Administrator also stated that the delays in the online crime reporting system were due to a lack of time on his part. As of March 1, 2011, there was a trial deployment by the Suisun City Police Department of

one police cruiser license plate recognition system. If the trial is successful, more police cruiser license plate recognition systems may be purchased with grant funds. However, funds may also be redirected towards the purchase of more mobile radios as a result of an unsuccessful trial deployment.

**EXHIBIT 14
GRANT PERFORMANCE AND ACCOMPLISHMENTS
NON-RECOVERY ACT JAG GRANT 2009-DJ-BX-0455**

AGENCY	OBJECTIVE ACCORDING TO GRANT APPLICATION	STATUS AS OF MARCH 1, 2011
Fairfield	Purchase six closed circuit cameras and add to city's public safety camera network.	Not yet completed. Estimate completion date: July 2011.
Solano County District Attorney Office	Purchase and install a laboratory management information system.	Completed.
Suisun City	Purchase electronic citation devices, radar units, and a mobile data computer.	Completed.
Vacaville	Fund part time clerk for police department.	Progress ongoing.
Vallejo	Provide one full time sworn officer position and overtime for other full time sworn officers.	Progress ongoing.

Source: Suisun City and OJP

Fairfield – For both the Recovery Act JAG grant and the non-Recovery Act JAG grant, the Suisun City's Grant Administrator stated that he had met with Fairfield officials to discuss Fairfield's delays in purchasing the closed circuit cameras. According to the Grant Administrator, Fairfield officials were delaying the purchase in order to coordinate funding from other sources. The Grant Administrator advised Fairfield officials that the cameras should have been purchased no later than September 30, 2010. However, this did not happen. The new target date for Fairfield purchasing the camera surveillance system is by July 2011. According to the Grant Administrator, if the new target date is not met, Suisun City, as the fiscal agent for the grants, will deduct additional administrative expenses from Fairfield's grant allocation to offset the cost of Suisun City's increased oversight and monitoring over Fairfield.

Conclusion

Based on our review, we found that Suisun City generally complied with essential grant requirements. Specifically, Suisun City separately tracked from all other funding grant-related transactions, program income resulting from interest earned, drawdowns, and reimbursement requests from its sub-recipients. Grant expenditures were properly authorized, classified, and supported. We physically verified a sample of property items that were purchased with grant funds and we found the items were being utilized for grant-related purposes. As the fiscal agent for both JAG grants, Suisun City complied with grant requirements and it monitored its sub-recipients to ensure that the sub-recipients likewise adhered to grant requirements. Also, Suisun City submitted the required FSRs, Progress Reports, and Recovery Act reports in a timely manner. Also, the information in the Progress Reports for the two grants we audited was accurate.

However, we found that the expenditure information recorded on Suisun City's FSRs and Recovery Act reports did not match the expenditure information in the official accounting records. In addition, Suisun City's FSRs for two quarters did not include program income that resulted from interest earned. During our audit, Suisun City corrected the omission on its subsequent FSR. Further, we found that Suisun City and all of its sub-recipients, except Fairfield, either completed their objectives as described in the grant applications or were in the process of fulfilling their objectives. Fairfield's objectives for both grants included the purchase and installation of camera equipment. At the time of our review, we noted that Fairfield had yet to purchase and install the camera equipment. As a result of our findings, we made two recommendations to OJP.

Recommendations

We recommend that OJP:

1. Ensure that Suisun City submit accurate FSRs and Recovery Act reports that are consistent with its accounting system.
2. Ensure that Suisun City and its sub-recipient, Fairfield, accomplish stated grant objectives for its Recovery Act and non-Recovery Act JAG grants.

OBJECTIVE, SCOPE, AND METHODOLOGY

The purpose of our audit was to determine whether costs claimed under Grants 2009-DJ-BX-0455 and 2009-SB-B9-0537 were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) program income; (4) expenditures including payroll, fringe benefits, indirect costs, and accountable property; (5) matching; (6) budget management; (7) monitoring of sub-recipients and contractors; (8) reporting; (9) award requirements; (10) program performance and accomplishments; and (11) post end date activity. We determined that indirect costs, matching, budget management, and post end date activity were not applicable to this grant.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit scope included a review period for our audit that focused on, but was not limited to, the period beginning October 1, 2008, through June 30, 2010, for Grant 2009-DJ-BX-0455, and the period beginning March 1, 2009, through June 30, 2010, for Grant 2009-SB-B9-0537.

We tested compliance with what we consider to be the most important conditions of the two grants. Unless otherwise stated in our report, the criteria we audit against are contained in the *OJP Financial Guide*, award documents, Code of Federal Regulations, Office of Management and Budget Circulars, and the Recovery Act.

We reviewed a judgmentally selected sample of transactions for both grants that were recorded in Suisun City's grant related accounting records as of June 30, 2010. This included 5 expenditures related to Grant 2009-DJ-BX-0455 and 18 expenditures related to Grant 2009-SB-B9-0537.

In conducting our audit, we performed sample testing in five areas, which were grant expenditures; management of sub-recipients; FSRs; Progress Reports; and Recovery Act Reports. In this effort, we employed a

judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed, such as dollar amounts or expenditure category.

We did not test internal controls for Suisun City taken as a whole or specifically for the grant program administered by Suisun City. An independent Certified Public Accountant conducted an audit of Suisun City's financial statements. The results of this audit were reported in the Single Audit Report that accompanied the Independent Auditors' Report for the year ending June 30, 2010. The Single Audit Report was prepared under the provisions of Office of Management and Budget Circular A-133. We reviewed the independent auditor's assessment to identify control weaknesses and significant noncompliance issues related to Suisun City or the federal programs it was administering, and assessed the risks of those findings on our audit.

In addition, we assessed the grantee's monitoring of sub-recipients; reviewed the timeliness and accuracy of FSRs, Progress Reports, and Recovery Act Reports; and evaluated performance to grant objectives. However, we did not test the reliability of the financial management system as a whole, nor did we place reliance on computerized data or systems in determining whether the transactions we tested were allowable, supported, and in accordance with applicable laws, regulations, and guidelines. We also performed limited testing of information obtained from OJP's Grants Management System (GMS) and found no discrepancies. We thus have reasonable confidence in the GMS data for the purposes of our audit. However, the OIG has not performed tests of the GMS system specifically, and we therefore cannot definitively attest to the reliability of GMS data.

GRANTEE RESPONSE

CITY COUNCIL

Pedro "Pete" M. Sanchez, Mayor
Michael J. Hudson, Mayor Pro-Tem
Jane Day
Sam Derting
Michael A. Segala



CITY OF SUISUN CITY
POLICE DEPARTMENT

701 Civic Center Blvd.
Suisun City, California 94585
Edmond W. Dadisho
Chief of Police

06 MAY 2011

CITY COUNCIL MEETING

First and Third Tuesday
Every Month

May 4, 2011

David J. Gaschke
Regional Audit Manager
U.S. Department of Justice
Office of the Inspector General
1200 Bayhill Drive, Suite 201
San Bruno, CA 94066

RE: Response to Draft Audit Report

Dear Mr. Gaschke,

I would like to thank you for the opportunity to comment on the draft audit report concerning the Suisun City Police Department's management of the Edward Byrne Memorial Justice Assistance Grants. The City of Suisun City has completed its review of the draft audit report covering the referenced grants and has the following responses to each of the recommendations:

Recommendation 1: Ensure that Suisun City submits accurate Financial Status Reports (FSR's) and Recovery Act reports that are consistent with its accounting system.

The City concurs with this recommendation.

We agree that differences existed between what was reported on the FSR's and Recovery Act reports and what was recorded in the City's general ledger. The differences were due to a timing delay between when sub-grantee expenditures were reported to Suisun City, when they were reported in the FSR and Recovery Act reports and when they ultimately were entered on our general ledger.

The sub-grantee expenditures reported in the FSR's and Recovery Act reports for each quarter were based upon sub-grantee data submitted to Suisun City on a form we developed. No form was provided by the Office of Justice Programs (OJP) to use for tracking sub-grantee expenditures and reimbursement requests. Each sub-grantee

DIVISIONS: AREA CODE (707)
DISPATCH / RECORDS 421-7373 ■ ADMINISTRATION 421-7350 ■ INVESTIGATIONS 421-7361
YOUTH SERVICES 421-7380 ■ VOLUNTEER SERVICES 421-7373 ■ CODE ENFORCEMENT 421-3223
FAX 422-8074

recorded their expenditures to substantiate their claims in their respective general ledgers. Suisun City made a general ledger entry recording the expense once quarterly data was submitted and approved by OJP and the forms referenced above were sent to the City's Finance Department. Once this process was complete, the ledger reflected the expenses reported in the FSR and Recovery Act report. This process of submitting the data to the US Department of Justice (DOJ), waiting for approval of the reports and then issuing reimbursement was consistent with the Disparate Funding Memorandum of Understandings entered into by Suisun City and sub-grantees and included in our original grant applications to DOJ¹.

In light of this recommendation, we have modified our processes such that sub-grantee expenditures reported on the quarterly report form are entered into the general ledger. Therefore, all future FSR's will include the sub-grantee data and be based upon the general ledger as opposed to the underlying forms.

With regards to Recovery Act reports, our accounting records are not closed prior to the end of the initial submission period deadline each quarter.² However, pursuant to the document "Tips for Successful Recovery Act Reporting" from OJP, we are permitted to provide a projected amount of expenditures for the period that has not yet been closed. We believe that the aforementioned process of calculating sub-grantee expenditures for a particular quarter based upon their quarterly report form is sufficient and reliable for calculating the projected amount of expenditures.

Recommendation 2: Ensure that Suisun City and its sub-recipient Fairfield accomplish the stated grant objectives for its Recovery Act and non-Recovery Act JAG grants.

The City concurs with this recommendation.

The Fairfield Police Department began purchasing the camera equipment specified in the Recovery Act and non-Recovery Act JAG grants in the first week of April 2011. All equipment will be acquired prior to July 2011. OJP was notified of the updated timeline and we will continue to maintain our regular contact with OJP regarding our activities relating to each grant.

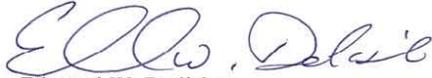
¹ The MOUs for the Recovery Act JAG and Non-Recovery Act JAG state, in part, "Funds will be disbursed to CITIES and the COUNTY after submission and approval of quarterly reports."

² The initial submission period for the Section 1512 reports is 10 days following the end of the reporting quarter.

*Mr. Gaschke
May 4, 2011
Page 3*

If you have any further questions or require additional information, please don't hesitate to contact Sergeant Andrew White at 707-421-7373 or awhite@suisun.com.

Best regards,

A handwritten signature in cursive script, appearing to read "Edmond W. Dadisho".

Edmond W. Dadisho
Chief of Police

cc: Office of Justice Programs (copy provided via e-mail)
U.S. Department of Justice

DEPARTMENT OF JUSTICE RESPONSE



U.S. Department of Justice

23 MAY 2011

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

MAY 13 2011

MEMORANDUM TO: David J. Gaschke
Regional Audit Manager
Office of the Inspector General
San Francisco Regional Audit Office

FROM: Maureen A. Henneberg
Director *MA Henneberg*

SUBJECT: Response to the Draft Audit Report, *Office of Justice Programs, Edward Byrne Memorial Justice Assistance Grant Program Grants Awarded to the City of Suisun City, California*

This memorandum is in response to your correspondence, dated April 15, 2011, transmitting the subject draft audit report for the City of Suisun City (City). We consider the subject report resolved and request written acceptance of this action from your office.

The report contains **two** recommendations and **no** questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

1. **We recommend that OJP ensures that Suisun City submits accurate FFRs and Recovery Act reports that are consistent with its accounting system.**

We agree with the recommendation. We will coordinate with the City to obtain a copy of procedures implemented to ensure that future Federal Financial Reports and Recovery Act Reports are accurately prepared, and reconciled to the City's accounting system.

2. **We recommend that OJP ensures that Suisun City and its sub-recipient Fairfield accomplish stated grant objectives for its Recovery Act and non-Recovery Act JAG grants.**

We agree with the recommendation. We will coordinate with the City to obtain documentation to support that the City and its sub-recipient, the City of Fairfield, accomplish the grant objectives listed in the applications for their Recovery Act and non-Recovery Act Justice Assistance Grant Program awards.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

cc: Jeffery A. Haley
Deputy Director, Audit and Review Division
Office of Audit, Assessment, and Management

Eileen Garry
Deputy Director
Bureau of Justice Assistance

Amanda LoCicero
Audit Liaison
Bureau of Justice Assistance

Zephyr Fraser
Grant Program Specialist
Bureau of Justice Assistance

Richard Theis
Assistant Director
Audit Liaison Group
Justice Management Division

OJP Executive Secretariat
Control Number 20110566

**OFFICE OF THE INSPECTOR GENERAL
ANALYSIS AND SUMMARY OF ACTIONS
NECESSARY TO CLOSE THE REPORT**

The OIG provided a draft of this audit report to Suisun City and OJP. Suisun City's and OJP's responses are incorporated in Appendices II and III, respectively, of this final report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendation Number:

- 1. Resolved.** Both OJP and Suisun City concurred with our recommendation to ensure that Suisun City submits accurate financial and Recovery Act reports that are consistent with Suisun City's accounting system. OJP stated in its response that it will coordinate with Suisun City to obtain a copy of procedures that have been implemented in order to ensure that future financial reports and Recovery Act reports are accurately prepared and reconciled to Suisun City's accounting system.

In its response to our recommendation, Suisun City provided reasons for why its reports were not accurate. Suisun City also stated that it had modified its processes to include sub-grantee expenditures in its general ledger. Therefore, future reports will be based on Suisun City's general ledger rather than other underlying documents. In addition, Suisun City stated that it will rely on OJP's published guidance with regards to preparing Recovery Act reports.

This recommendation can be closed when we obtain a copy of Suisun City's new procedures related to the preparation and submission of accurate and complete financial and Recovery Act reports.

- 2. Resolved.** Both OJP and Suisun City concurred with our recommendation to ensure that Suisun City and its sub-recipient, Fairfield, accomplish stated grant objectives for its Recovery Act and non-Recovery Act JAG grants. OJP stated in its response that it will coordinate with Suisun City to obtain documentation to support the accomplishment of grant objectives as it relates to Fairfield and Suisun City.

In its response, Suisun City stated that Fairfield had begun to purchase camera equipment and all equipment was expected to be acquired

before July 2011. Suisun City notified OJP of its updated timeline and will continue to inform OJP of its progress in this area.

This recommendation can be closed when we obtain documentation to support Suisun City's and Fairfield's accomplishment of grant objectives as stated in the Recovery Act and non- Recovery Act, JAG grant applications.