

The Department of Justice (DOJ) Office of the Inspector General (OIG) today released a report examining the Office of Justice Programs (OJP) grants and cooperative agreements awarded to the National Forensic Science Technology Center (NFSTC), a non-profit corporation located in Largo, Florida. The NFSTC received 21 grant awards totaling over \$48 million between September 2007 and January 2011 to provide training, research, technology development and assistance, and support for mobile forensic laboratories that the NFSTC deploys to state, local, and federal agencies.

The OIG found that the NFSTC provided the services as required under the grants, but that there were significant deficiencies in the management of the grants, including:

- The NFSTC improperly transferred funds from one cooperative agreement to another, leading us to question \$744,395 in transferred funds. OJP guidance states that grant monies may not be transferred from one grant to another and that funds specifically budgeted and received for one project may not be used to support another.
- We questioned an additional \$105,778 that the NFSTC improperly paid employees in retroactive salary payments that were not authorized by OJP. The decision to charge the salary increases retroactively to the grant awards should have been approved by OJP and, absent such approval, should not have been applied to the grant awards for any length of time. The improper retroactive payments included one instance that was based on the Human Resources Director's analysis of her own salary, which we believe constitutes a conflict of interest.
- There were other internal control and reporting deficiencies, including that the NFSTC did not maintain proper supporting documentation for its drawdowns of federal funds and for the contents of its federal financial reports, and it did not maintain complete documentation for training sessions funded by DOJ grants. In addition, the NFSTC may have exceeded the allowed amount of transfers between budget categories within grants without approval for 7, or 1/3 of the 21 grants. The NFSTC's accounting records did not permit an accurate comparison of actual expenditures to approved budget costs. Finally, while the NFSTC received sole source approval from OJP for an event planner for four grants, it used the same event planner on seven other grants without obtaining the required sole source approval.

The OIG made 10 recommendations to OJP to address these issues, including remedying the total of \$850,173 in questioned costs identified in today's audit. OJP agreed with all 10 recommendations.

The report can be found on the OIG's website at: <http://www.justice.gov/oig/reports/2014/g4014002.pdf>.