

The Department of Justice Office of the Inspector General (OIG) announced today the release of a report on the management of 29 DOJ grants totaling \$77.5 million to the Puerto Rico Department of Justice (PRDOJ). The purposes of these grants, which were awarded by the Department of Justice's (DOJ) Office of Justice Programs (OJP) from fiscal years 2008 through 2013, were to support a broad range of activities to control and prevent crime based on local needs and conditions; provide services to victims of crime; enhance sex offender registration and notification programs; and provide loan repayment assistance for local, state, and federal public defenders and local and state prosecutors. The OIG's audit found that the PRDOJ's controls, policies, and procedures were inadequate in a number of ways to properly administer and fully account for grant funds and, consequently, we questioned more than \$5.1 million. We also identified an additional \$1.5 million in funds that we believe the DOJ should put to better use, for a total of more than \$6.6 million in dollar-related findings.

During the OIG's audit, the PRDOJ did not comply with some document requests and delayed in responding to other OIG requests for records and other information we needed to complete the audit. For example, the PRDOJ did not provide support – such as invoices or other supporting documentation for expenditures – for 46 transactions, valued at more than \$2 million, of the 147 transactions that we selected for testing. We questioned those 46 transactions as unsupported costs. PRDOJ managers told us that delays were caused by lack of personnel and trouble locating requested documentation, and that some supporting documents were not within PRDOJ's possession and PRDOJ would have to obtain them from third party vendors.

Based on the documentation available to us, we found that the PRDOJ drew down about \$2.6 million in excess funds that it did not use or return to OJP. We questioned these draw downs as unsupported. We also found that the PRDOJ did not draw down an additional \$3.6 million of the grant funds it was awarded. As of June 2015, the DOJ had already deobligated about \$2 million of this \$3.6 million, and we identified the rest as funds that the DOJ should put to better use. All together, the unused funding resulted in a total of \$6.2 million in missed criminal justice funding opportunities.

We also identified other grant management deficiencies during our audit, including that the PRDOJ: (1) did not allocate grant funds based on the needs of the criminal justice agencies or according to a strategic plan to address crime; (2) did not perform adequate monitoring of grant sub-recipients; (3) did not accomplish a significant portion of the grant funded projects; and (4) had not fully implemented the Sex Offender Registration and Notification Act or the National Instant Background Check System Improvements Act. We determined that the primary cause for many of these deficiencies was inexperienced and inadequately trained PRDOJ grant staff, in addition to controls, policies, and procedures that were inadequate to accomplish proper grant administration and full accountability for grant funds.

Today's report notes that Puerto Rico has recently experienced both extreme economic difficulties and increasing levels of criminal activity. The economic difficulties that have been affecting Puerto Rico since 2006, including a public debt that was 104 percent of its Gross

National Product (GNP) at the end of March 2015, have resulted in significant pressures on its criminal justice systems, which also have had to address crime rates for some types of crime significantly higher than the national averages. The OIG's report notes that while Puerto Rico faces a challenge in addressing its crime problems in light of economic difficulties, this situation also makes good grant management practices all the more important.

The report released today makes 20 recommendations to address dollar-related findings and improve the management of DOJ grants. OJP agreed with all of the recommendations. The PRDOJ agreed with 18 of the recommendations and disagreed in whole or in part with 2 recommendations.

The report can be found on the OIG's website at the following link: <https://oig.justice.gov/reports/2015/g4015006.pdf>.