



OFFICE OF THE INSPECTOR GENERAL

U.S. Department of Justice

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Update: DOJ OIG Audit of People for People, Inc., Results in Repayments Totaling More Than \$554,000

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today that People for People, Inc., of Philadelphia, PA, has made cash repayments of more than \$554,000 to the DOJ as a result of a DOJ Office of the Inspector General (OIG) grant audit.

The OIG's audit report, which we released in 2013, assessed People for People's management of two grants from the DOJ Office of Justice Programs (OJP). These grants were intended to fund mentoring programs for children of prisoners. We concluded that People for People had not complied with various grant requirements, and we identified \$893,445 in unallowable and unsupported grant expenditures. The report included 13 recommendations to improve People for People's grant management and address these questioned costs.

Since the audit, People for People has worked closely with OJP to implement all of our recommendations for management improvements and provided us with additional documentation sufficient to address approximately \$339,000 of the questioned costs. The more than \$554,000 in cash repayments announced today were made to address the balance of the questioned costs, which primarily related to expenses for which accounting records were insufficient, salary payments that were unallowable, and payments for rent, telephone bills, and other indirect costs that had not been approved by OJP.

The OIG's August 2013 report is available on the OIG's website at the following link:
<https://www.oig.justice.gov/reports/2013/g7013007r.pdf>.