



OFFICE OF THE INSPECTOR GENERAL

U.S. Department of Justice

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DOJ OIG Releases Report on a DOJ Grant Awarded to Philadelphia, Pennsylvania, for the 2016 Democratic National Convention

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a report examining the \$49,900,000 Presidential Candidate Nominating Convention grant awarded to Philadelphia, Pennsylvania to provide security during the 2016 Democratic National Convention.

The DOJ Office of the Inspector General (OIG) found significant deficiencies in Philadelphia's management of the grant funds and identified \$14,876,759 in questioned costs. The specific questioned costs in the report include:

- **\$7.6 million in questioned costs for law enforcement partner expenditures.** Philadelphia did not establish clear guidance for its state and local law enforcement partners as to what could be charged for the convention and did not take adequate steps to ensure that the charges were appropriate. Further, Philadelphia did not reimburse partners on a timely basis and did not have a valid subrecipient agreement in place.
- **\$6.3 million in questioned costs for Host Committee expenditures.** The Democratic National Convention Committee was involved in approving the actions of the Host Committee, a subrecipient of the grant. The OIG found that this involvement could have created an appearance of political influence in managing the grant funds and had the potential to negatively impact the public's confidence in the integrity of the grant program.
- **\$1 million in questioned costs for Philadelphia Fire Department expenditures.** The Philadelphia Fire Department (PFD) used a weighted average to calculate overtime rather than actual rates, and was therefore reimbursed for unsupported overtime personnel costs. Further, because PFD used a weighted average, we could not determine whether certain costs were allowable. We also identified instances where PFD's non-civilian overtime was misreported, resulting in duplicate charges.

In addition, we found that Philadelphia did not have adequate or effective internal controls, did not properly manage its budgets, did not maintain accountability of funds, failed to comply with DOJ requirements for requesting funds, and did not submit accurate Federal Financial Reports.

Today's report makes 13 recommendations to the Office of Justice Programs (OJP). OJP agreed with 12 recommendations and did not agree with one recommendation. Philadelphia agreed with 7 of the recommendations, partially agreed with 3 recommendations, and disagreed with 3 recommendations.

Earlier this year, the DOJ OIG released a separate report of the corresponding Presidential Candidate Nominating Convention grant made to the city of Cleveland for the 2016 Republican National Convention. That report is available [here](#).

Report: Today's report is available on the OIG's website under "Recent Reports" and at the following link: <https://oig.justice.gov/reports/2018/g7018014.pdf>.

Video: To accompany today's report, the OIG has released a 2-minute video of the Inspector General discussing the report's findings. The video and a downloadable transcript are available at the following link: <https://oig.justice.gov/multimedia/video-09-27-18.htm>.

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