



**AUDIT OF OFFICE OF JUSTICE PROGRAMS  
GRANTS AWARDED TO THE  
MIAMI-DADE, FLORIDA, COUNTY POLICE  
DEPARTMENT**

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

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MIAMI-DADE COUNTY, FLORIDA, POLICE  
DEPARTMENT**

**EXECUTIVE SUMMARY**

The Department of Justice, Office of the Inspector General, Audit Division, has completed an audit of Edward Byrne Memorial Justice Assistance Grants (JAG), including a 2009 Recovery Act grant, awarded by the Bureau of Justice Assistance, to the Miami-Dade Police Department.

The purpose of the JAG program is to allow local governments to support a broad range of activities to prevent and control crime based on their local needs and conditions. Grant funds may be used for law enforcement, prosecution and courts, crime prevention and education, corrections, drug treatment, planning, evaluating, and implementing technology improvement programs, and crime victim and witness programs. As shown in Exhibit I, since 2007 the Miami-Dade Police Department was awarded over \$8 million under the JAG program.

**Exhibit I: Grants Awarded to  
the Miami-Dade Police Department**

<b>Award Number</b>	<b>Award Start Date</b>	<b>Award End Date</b>	<b>Award Amount</b>
2007-DJ-BX-0683	10/01/2006	09/30/2010	\$983,063
2008-DJ-BX-0570	10/01/2007	09/30/2011	\$290,749
2009-DJ-BX-1327	10/01/2008	09/30/2012	\$922,029
2009-SB-B9-2979	03/01/2009	02/28/2013	\$3,794,013
2010-DJ-BX-0167	10/01/2009	09/30/2013	\$847,976
2011-DJ-BX-2328	10/01/2010	09/30/2014	\$673,213
2012-DJ-BX-0047	10/01/2011	09/30/2015	\$529,706
<b>Total</b>			<b>\$8,040,749</b>

Source: Office of Justice Programs

We selected the 2007 through 2010 JAG awards as part of our audit scope based on the amount of grant activity. Because of the limited amount of grant activity for the 2011 and 2012 JAG awards, we did not include those grants as part of our audit scope.

## **Recovery Act**

In February 2009, Congress passed the American Recovery and Reinvestment Act (Recovery Act) to help create jobs, stimulate the economy and investment in long-term growth, and foster accountability and transparency in government spending. The Recovery Act provided \$787 billion for tax cuts, education, health care, entitlement programs, contracts, grants, and loans. Recipients of Recovery Act funds are required to report quarterly to FederalReporting.gov on how they spent Recovery Act funds and the number of jobs created or saved. The Department of Justice received nearly \$4 billion in Recovery Act funds and made almost \$2 billion of that funding available through the JAG Program. The Miami-Dade Police Department received about \$3.8 million under Grant Number 2009-SB-B9-2979 as part of the Recovery Act.

## **Audit Results**

The purpose of the audit was to determine whether the Miami-Dade Police Department used grant funds for costs that were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants; whether the city met or was on track to meet the goals and objectives outlined in the grant programs and applications; and submitted timely and accurate Recovery Act spending and job data to FederalReporting.gov.

The objective of the audit were to determine whether the Miami-Dade Police Department complied with essential grant conditions pertaining to: (1) internal controls; (2) grant drawdowns; (3) grant expenditures; (4) budget management and control; (5) matching costs; (6) property management; (7) financial, progress, and Recovery Act reports; (8) grant goals and accomplishments; (9) monitoring contractors; and (10) monitoring subrecipients.

We found the Miami-Dade Police Department generally complied with requirements pertaining to internal control; grant drawdowns; grant expenditures; budget management and control; and financial, progress, and Recovery Act reports. However, we found weaknesses in the areas of accountable property and grant goals and accomplishments. Specifically, we found the Miami-Dade Police Department:

- incorrectly recorded seven accountable property items in the county's inventory system; and
- did not establish baseline data to measure program performance and accomplishments for effectiveness and efficiency.

Based on our audit results we make two recommendations to improve the management of Department of Justice grants. These are discussed in detail in the Findings and Recommendations section of the report. Our audit objectives, scope, and methodology appear in the Appendix.

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## INTRODUCTION

The Department of Justice, Office of the Inspector General, Audit Division, has completed an audit of Edward Byrne Memorial Justice Assistance Grants (JAG), including a 2009 Recovery Act grant, awarded by the Bureau of Justice Assistance, to the Miami-Dade Police Department (Police Department). The purpose of the JAG program is to allow local governments to support a broad range of activities to prevent and control crime based on their local needs and conditions.

The JAG program is the primary source of federal criminal justice funding for state and local jurisdictions. The JAG program allows 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. Grant funds may be used for:

- law enforcement programs,
- prosecution and court programs,
- crime prevention and education,
- corrections and community corrections programs,
- drug treatment programs,
- technology improvement programs, and
- crime victim and witness programs.

In February 2009, Congress passed the American Recovery and Reinvestment Act (Recovery Act) to help create jobs, stimulate the economy and investment in long-term growth, and foster accountability and transparency in government spending. The Recovery Act provided \$787 billion for tax cuts, education, health care, entitlement programs, contracts, grants, and loans. Recipients of Recovery Act funds are required to report quarterly to [FederalReporting.gov](http://FederalReporting.gov) on how they spent Recovery Act funds and the number of jobs created or saved. The Department of Justice received nearly \$4 billion in Recovery Act funds and made almost \$2 billion of that funding available through the JAG Program.

As shown in Exhibit 1, since 2007, the Miami-Dade Police Department was awarded over \$8 million to implement these activities.

**Exhibit 1: Grants Awarded to  
the Miami-Dade Police Department**

<b>Award Number</b>	<b>Award Start Date</b>	<b>Award End Date</b>	<b>Award Amount</b>
2007-DJ-BX-0683	10/01/2006	09/30/2010	\$983,063
2008-DJ-BX-0570	10/01/2007	09/30/2011	\$290,749
2009-DJ-BX-1327	10/01/2008	09/30/2012	\$922,029
2009-SB-B9-2979	03/01/2009	02/28/2013	\$3,794,013
2010-DJ-BX-0167	10/01/2009	09/30/2013	\$847,976
2011-DJ-BX-2328	10/01/2010	09/30/2014	\$673,213
2012-DJ-BX-0047	10/01/2011	09/30/2015	\$529,706
<b>Total</b>			<b>\$8,040,749</b>

Source: Office of Justice Programs

We selected the 2007 through 2010 JAG awards as part of our audit scope based on the amount of grant activity. Because of the limited amount of grant activity for the 2011 and 2012 JAG awards, we did not include those grants as part of our audit scope.

**Background**

Miami-Dade County is located along the southeast shoreline of the Florida peninsula. The county serves a total population of more than 2.5 million people and covers an area over 2,000 square miles. Miami-Dade County provides a full range of services, including, police and fire protection, correctional facilities, health services, mass transportation, sanitation, water and sewer services, parks and recreation, and the operation of an airport system.

The Police Department planned to use its JAG funds to enhance law enforcement electronic communication at the patrol level, develop initiatives to combat the increase in violent crimes, and purchase mission-critical technology and equipment. The Police Department also planned to use Recovery Act funds to support a criminal justice system project that involves technological and capacity improvements for the Police Department and the Miami-Dade Corrections and Rehabilitation Department.

A memorandum of understanding was established between the Police Department and the Corrections and Rehabilitation Department to define each of their roles and responsibilities under the Recovery Act grant award. The Police Department is the primary organizational unit and has the responsibility to ensure compliance with the grant requirements. The Corrections and Rehabilitation Department is the secondary unit and is

responsible for providing all fiscal and operational reports to the Police Department. The Police Department planned to use approximately \$2.4 million to automate the completion and processing of offense incident reports. The Corrections and Rehabilitation Department planned to use approximately \$1.4 million to improve the booking system, automate the employee scheduling system, and hire 35 additional corrections officers.

## **Audit Approach**

The purpose of this audit was to determine whether the Miami-Dade Police Department used grant funds for costs that were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants; whether the Police Department met or was on track to meet the goals and objectives outlined in the grant programs and applications; and submitted timely and accurate Recovery Act spending and job data to FederalReporting.gov.

The objectives of the audit were to determine whether the Miami-Dade Police Department complied with essential grant conditions pertaining to: (1) internal controls; (2) grant drawdowns; (3) grant expenditures; (4) budget management and control; (5) matching costs; (6) property management; (7) financial, progress, and Recovery Act reports; (8) grant goals and accomplishments; (9) monitoring contractors; and (10) monitoring subrecipients.

We tested compliance with what we consider to be the most important conditions of the grant awards. Unless otherwise stated in our report, the criteria we audit against are contained in the grant award documents, Office of Justice Programs Financial Guide, Code of Federal Regulations, Office of Management and Budget, and the Recovery Act. We tested the Miami-Dade Police Department's:

- **internal controls** to identify plans, policies, methods, and procedures designed to ensure the police department and the grant programs met fiscal and programmatic requirements and the goals and objectives of the grants;
- **grant drawdowns** to determine whether grant drawdowns were adequately supported and if the police department managed grant receipts in accordance with federal requirements;
- **grant expenditures** to determine the accuracy and allowability of costs charged to the grant;

- **budget management and control** to identify any budget deviations between the amounts budgeted and the actual costs for each cost category;
- **matching costs** to determine if the police department provided the required matching share of grant costs;
- **property management** to determine if property items acquired with grant funds are tracked in a system of property records, adequately protected from loss, and used for grant purposes;
- **financial and progress reports** to determine if those reports were submitted timely and accurately reflect grant activity;
- **Recovery Act reporting** to determine if the reports were submitted timely and accurately reflected spending and job data to FederalReporting.gov;
- **grant goals and accomplishments** to determine if the police department met or was on track to meet the goals and objectives outlined in the grant programs and applications;
- **monitoring contractors** to determine if the police department took appropriate steps to ensure contractors complied with applicable grant requirements; and
- **monitoring subrecipients** to determine whether the police department took appropriate steps to ensure that subrecipients met the fiscal and programmatic requirements of the grants.

In conducting our audit, we performed testing in the areas of drawdowns, grant expenditures, matching costs, property management, and grant goals and accomplishments. In addition, we reviewed the internal controls for the financial management system; the timeliness and accuracy of financial, progress, and Recovery Act reports; evaluated progress toward grant goals and accomplishments; and the monitoring of subrecipients.

## **FINDINGS AND RECOMMENDATIONS**

Our audit determined that the Miami-Dade Police Department: (1) recorded grant-funded accountable property inaccurately; and (2) did not have a method for establishing performance baseline data to properly measure program performance and accomplishments for effectiveness and efficiency.

### **Internal Control Environment**

According to the Financial Guide, the grantee is responsible for establishing and maintaining an adequate system of accounting and internal controls for itself and for ensuring that an adequate system exists for its subrecipients. We reviewed the Police Department's financial management systems, policies and procedures, and Single Audit report to assess the risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grants. We also interviewed officials responsible for fixed assets, purchasing, and accounts payable, and we observed accounting and grant management activities to further assess risk.

#### *Financial Management System*

The Police Department used a county-wide financial system that contained all accounting, budgeting, purchasing, general ledger, payroll and fixed asset transactions. Based on our review and testing, the financial system appeared to have adequate systems of internal controls to ensure compliance with applicable grant requirements and provided for adequate segregation of duties and separate accounting codes for each grant reviewed.

#### *Recovery Act Planning*

The Police Department implemented procedures and conducted meetings with responsible participants within Miami-Dade County in preparation for receiving the Recovery Act grant. The Police Department and Corrections and Rehabilitation Department also received procedures for programmatic reporting and accounting support documentation. Miami-Dade county officials conducted several meetings to review the Recovery Act grant requirements and the responsibilities of each organization to meet those requirements. The Police Department provided technical assistance and guidance to the Corrections and Rehabilitation Department regarding the requirements of the Recovery Act grant and established processes to help ensure grant compliance. A memorandum of

understanding was established with the Police Department and the Corrections and Rehabilitation Department in an effort to ensure all grant-related functions were carried out and Recovery Act grant requirements and goals were met.

### *Single Audit*

According to Office of Management and Budget Circular A-133, Miami-Dade County is required to perform a Single Audit annually. The Single Audit report is due no later than 9 months after the end of the fiscal year.<sup>1</sup> Miami-Dade County 2010 Single Audit was issued on April 29, 2011, and complied with the Single Audit reporting requirement. The report identified a deficiency in the area of capital assets. The county recorded purchased items and corrections to the capital asset account manually, resulting in errors in the recorded balance at the government-wide level. Miami-Dade County agreed with the Single Audit recommendation and planned to review the process. Miami-Dade County officials also told us that the process will remain mostly manual until a new integrated financial system is implemented county-wide. According to a Police Department official, the county did not have a plan to implement a new financial system in the near future because of financial constraints.

Because of the Single Audit finding, we tested 100 percent of grant expenditures and increased the sample selection for grant-funded property to determine whether proper controls are in place for the management of grant funds. During the audit, we found seven errors in the recording of capital assets purchased with grant funds. The details of our assessment are discussed in the Grant Expenditures and Property Management sections of this report.

### **Drawdowns**

The Financial Guide generally requires that recipients time their drawdown requests to ensure that federal cash-on-hand is the minimum needed for disbursements to be made immediately or within 10 days; however, for JAG awards, recipients may draw down any or all grant funds in advance of grant costs.

We audited five federal grants awarded under the JAG Program. One of the grants was awarded under the Recovery Act. For each of these

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<sup>1</sup> Miami-Dade County's fiscal year is October 1 through September 30.

grants, the Police Department requested drawdowns as reimbursements of expenditures. The Police Department based its drawdowns on actual expenditures recorded in the accounting records. We compared each drawdown to the Police Department's accounting records and found that drawdowns generally matched grant expenditures. We confirmed that the drawdowns were deposited electronically into a bank account.

During our testing of drawdowns, we noted the Police Department did not drawdown all the grant funds awarded under Grant Number 2007-DJ-BX-0683. The Police Department drew down \$981,162 of the \$983,063 awarded with \$1,901 remaining for de-obligation. OJP deobligated the remaining balance on January 13, 2011.

At the time of our audit, the other four grants remained open with grant funds available for drawdown. We discussed with Police Department officials their plans to spend the remaining funds under each grant program. The officials told us that each grant was progressing well and assured us that all funds would be expended prior to the respective grant period end dates. The officials told us Grant Number 2008-DJ-BX-0570 was complete and the remaining \$363 would be deobligated.

### **Grant Expenditures**

According to the Financial Guide allowable costs are those costs identified in Office of Management and Budget circulars and the grant program's authorizing legislation. In addition, costs must be reasonable and permissible under the specific guidance of the grants.

As shown in Exhibit 2, we tested 113 transactions totaling \$1,551,805, which is 100 percent of the direct costs charged to the grants we audited.

**Exhibit 2: Grant Expenditure Testing**

<b>Award Number</b>	<b>Funds Expended</b>	<b>Transaction Tested</b>	<b>Expenditures Tested</b>	<b>Percent Tested</b>
2007-DJ-BX-0683	\$963,323	42	\$963,323	100%
2008-DJ-BX-0570	\$111,344	8	\$111,344	100%
2009-DJ-BX-1327	\$312,442	31	\$312,442	100%
2010-DJ-BX-0167	\$0	\$0	\$0	0% <sup>2</sup>
2009-SB-B9-2979	\$164,696	32	\$164,696	100%
<b>Totals</b>	<b>\$1,551,805</b>	<b>113</b>	<b>\$1,551,805</b>	<b>100%</b>

Source: Miami-Dade Police Department accounting records

We found these expenditures were properly authorized, correctly classified in the accounting records, supported by appropriate documentation, and properly charged to the grants.

**Property Management**

According to the Financial Guide, grant recipients must be prudent in the acquisition and management of property items bought with federal funds. Property acquired with federal funds should be used for criminal justice purposes, adequately protected from loss, and the property records should indicate that the property was purchased with federal funds.

We determined that Miami-Dade County’s property records include items which exceed a cost of \$1,000 and a useful life that is 1-year or greater. Miami-Dade County’s automated system of property records included information about the source of the funds used to acquire the property. The Miami-Dade Police Department provided us a list of 151 property items, valued at \$960,035, that were purchased with Department of Justice funds. From that list, based on the dollar value of each item and the risk of potential loss, we selected a judgmental sample of 60 items valued at \$845,046 for testing. We verified whether the Police Department properly accounted for those items in the inventory system and whether the items were being used for the purposes stated in the grant applications.

We found seven recording errors between the inventory system and the actual property purchased with grant funds. There were five errors in the recording of the serial numbers, one item was recorded without a serial number, and the final item was not recorded in the inventory system. Police Department officials corrected these errors after we identified them. The

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<sup>2</sup> At the time of our testing, the Miami-Dade Police Department had not expended funds for Grant Number 2010-DJ-BX-0167.

errors we identified are consistent with the problem reported in the 2010 Single Audit report regarding the process of manually recording additions and corrections in the accountable property system. Because of these errors, the financial statements may not accurately reflect the accountable property's inventory value. In addition, there is a risk of loss to fraud or theft because the inventory system can be adjusted manually. The County's management concurred with the Single Audit recommendation to enhance the process of accumulating and recording accountable property to report asset additions, deletions, and transfers in a more timely and accurate manner.

We recommend the Office of Justice Programs ensure the Police Department enhances the process to properly track and record property items purchased with federal funds. In addition, the Police Department Grant Manager should review the accountable property each year and certify that the assets purchased with federal funds were properly and accurately recorded. We believe Miami-Dade County's inventory recording system could be improved to prevent missing and incorrect information for property purchased with grant funds.

## **Grant Reports**

Grantees are required to submit timely and accurate financial reports and grant progress reports to the Office of Justice Program. Prior to October 2009, the Police Department was required to submit quarterly Financial Status Reports (FSR) within 45 days after the end of each quarterly reporting period. Beginning October 1, 2009, the Federal Financial Report (FFR) replaced the FSR. FFRs are due 30 days after the end of each calendar quarter. A final financial report is due 90 days after the end of the grant period.

Grantees are required to submit annual progress reports regarding grant performance for block and formula awards. Annual progress reports must be submitted to the Bureau of Justice Assistance no later than December 31. The final progress report is due 90 days after the expiration of the grant.

For Recovery Act grants, grant recipients are required to report quarterly to [FederalReporting.gov](http://FederalReporting.gov) their grant expenditures and the number of jobs created or saved.

## *Federal Financial Reports*

We reviewed the FFRs for the last eight quarterly reporting periods for each of the five grants to determine whether the reports were timely and the reported expenditures agreed with the Police Department's accounting records.

As shown in Exhibit 3, the Police Department submitted 2 of the 36 financial reports 153 and 62 days late for Grant Number 2010-DJ-BX-0167. According to a Police Department official, the late reports resulted from an administrative oversight. The Police Department overlooked the requirement for submitting reports when there was no activity for the grant. Once the late reports were submitted, all subsequent financial reports were timely. We consider the late reports a minor exception and make no recommendation regarding the timeliness of financial reports.

**Exhibit 3: Federal Financial Reports Submitted Late**

<b>Award Number</b>	<b>Report For Quarter Ended</b>	<b>Report Due Date</b>	<b>Date Submitted</b>	<b>Days Late</b>
2010-DJ-BX-0167	03/31/2010	04/30/2010	09/30/2010	153
2010-DJ-BX-0167	06/30/2010	07/30/2010	09/30/2010	62

Source: Office of Justice Programs and Miami-Dade Police Department

We also tested the accuracy of the financial reports by comparing the reported expenditures to the Police Department's accounting records. From the five grants we tested, we found a total of 6 of 36 quarterly financial reports that did not match the accounting records. We did not consider four of the six financial reports as reportable items; however the other two were overstated by the amounts shown in Exhibit 4.

**Exhibit 4: Federal Financial Report Variances**

<b>Award Number</b>	<b>Report for Quarter Ended</b>	<b>Reported Amount</b>	<b>Accounting Records Amount</b>	<b>Variance</b>
2007-DJ-BX-0683	12/31/2009	\$888,824	\$878,874	\$9,950
2007-DJ-BX-0683	03/31/2010	\$888,824	\$886,394	\$2,430

Source: Office of Justice Programs and Miami-Dade Police Department

According to Police Department officials, the variances occurred because of miscalculations on the spreadsheets used by the Police Department's fiscal and administrative staff when recording transactions for these periods. During the audit, officials told us the spreadsheets were corrected to accurately reflect the financial activity in the grant award. For the other grants reviewed, we found them to be accurately reported. The

miscalculations were minor errors that the Police Department corrected during the audit. Consequently, we make no recommendation regarding the financial reports.

### *Progress Reports*

According to the Financial Guide, recipients must submit progress reports annually for block/formula awards. These reports should describe the status of the project and include a comparison of actual accomplishments to the objectives or other pertinent information. Also, according to 28 Code of Federal Regulations § 66.40, progress reports will contain for each grant, brief information on:

- a comparison of actual accomplishments to the objectives established for the period;
- the reasons for slippage if established objectives were not met; and
- additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

We tested whether the Police Department submitted timely, complete, and accurate progress reports.

We evaluated the timeliness of progress reports for the last 2-years for each of the 2007 through 2010 JAG awards, including the Recovery Act grant of 2009. We found that all of the tested progress reports were filed timely.

We also tested the completeness and accuracy of progress reports by comparing accomplishments described in the most recent report to the grant application and supporting documentation maintained by the grantee. For each of the grants, the Police Department reported equipment purchases and software installations as described in the grant applications. We physically verified the grant-funded equipment items purchased and considered the progress reports accurate.

In summary, the progress reports we reviewed were submitted timely and were accurate. However, as discussed in the Program Performance and Accomplishments section of the report, some progress reports did not contain sufficient detail for us to determine whether the Police Department met, or was making progress at meeting, the goals and objectives of the grants.

## *Quarterly Recovery Act Reports*

The Recovery Act, Section 1512, requires recipients of Recovery Act funds to report their expenditures and jobs created or saved to FederalReporting.gov. The initial report was due October 10, 2009, with quarterly reports due 10 days after the close of each quarter thereafter.

Our review of Miami-Dade Police Department's Recovery Act reporting found that the reports required at the time of our audit work were submitted timely. The reports we reviewed were accurate but did not fully describe grant activities in accordance with requirements.

### **Grant Goals and Accomplishments**

Grant performance and accomplishments should be based on measurable outcomes rather than on counting activities. The Government Performance and Result Act provide a framework for setting goals, measuring progress, and using data to improve performance. To measure progress, grantees should establish a baseline measure and a system for collecting and analyzing data needed to measure progress.

To evaluate program performance and accomplishments we reviewed the grant applications, the most recent grant progress reports, and supporting documentation maintained by the Police Department. We found that the Police Department tracked program performance and recorded accomplishment data related to the grants' goals and objectives for the 2007 through 2010 JAG awards, including the 2009 Recovery Act grant. However, the Police Department did not establish baseline measurements to evaluate whether grant funds provided improved program effectiveness and efficiencies. According to Police Department officials, procedures for reporting performance data for grants' goals and progress measurements were established prior to the grant award and baseline measurements were not used to compare with the performance data. We determined the Police Department tracked the amount of grant funds spent and the equipment acquired for each respective grant program. The results of our evaluation for each grant are explained below.

Grant Number 2007-DJ-BX-0683 – The objective of the grant was to enhance law enforcement electronic communication software at the patrol level. To accomplish this objective, the Police Department acquired equipment to establish an enterprise messaging solution. With the completion of this system, the Police Department sent out electronic messaging in a timely manner to a global address book for different governmental agencies and media sources. As their accomplishment, the

Police Department reported using the remaining grant funds to purchase the final components of information technology equipment and to pay the salary of an account clerk.

Grant Number 2008-DJ-BX-0570 – The objective of the grant was to support the Police Department’s robbery intervention detail. The grant funds were used to pay for equipment and training needed for the robbery intervention detail. The Police Department reported the procurement of 20 finger scanners and upgrades to the cellular tracking system. The Police Department reported that these purchases allowed detectives quick access to identification and criminal background information for potentially violent subjects. The Police Department anticipated that the purchased equipment would allow detectives to increase their patrol time and improve investigations of violent criminal offenders.

Grant Number 2009-DJ-BX-1327 – The objective of the grant was to purchase officer safety equipment to protect them when confronting subjects in dangerous operations and detectives when exposed to hazardous substances. The Police Department reported the purchase of a forklift, tactical vests, shelters, camera kits, and walking wheel tape measures. Officials told us these items are critical equipment for gathering evidence and precisely documenting and processing crime scenes and assisting detectives in investigations.

Grant Number 2010-JD-BX-0167 – The objective of the grant was to purchase technology and equipment including, fingerprint scanners, network infrastructure and support, computers, and laptop computers. The Police Department reported purchasing fingerprint scanners. The scanners provided for the electronic capture of fingerprints and submitting the prints to an automated information system for searches and processing. This grant was ongoing and additional equipment purchases were planned during the grant period.

Grant Number 2009-SB-B9-2979 – The objective of the grant was to support a project that involved technological and capacity improvements for the Police Department and the Corrections and Rehabilitation Departments. Miami-Dade County reported hiring five corrections officers and four system analysts, and it purchased property capture stations.<sup>3</sup> This grant was ongoing, and the Corrections and Rehabilitation Department planned to hire

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<sup>3</sup> Property capture stations are equipment used to shrink-wrap and store inmates’ personal belongings while the inmates are incarcerated at the county jail.

30 additional corrections officers and complete the staff scheduling system. The Police Department planned to automate their offense incident reports.

After reviewing these performance reports and the accomplishments recorded by the Police Department, we found no quantitative indication of improved effectiveness or efficiencies as a result of implementing the grant programs. Officials reported equipment purchases and systems implementation as accomplishments. The Police Department did not establish baseline data to measure program performance and accomplishments for the grant awards. The officials told us that they were not aware of the requirement to establish and provide baseline statistics for reporting performance during the grant period. Absent such data, the Police Department could not demonstrate and we cannot verify that grant funds improved the programs identified in the grant applications.

### **Monitoring Subrecipients**

According to the Financial Guide, primary recipients of grant funds are responsible for monitoring subrecipients to ensure the subrecipients fulfill the fiscal and programmatic requirements of the grants. The primary recipient is responsible for all aspects of the program including proper accounting and financial recordkeeping by the subrecipient, including the receipt and expenditure of funds and cash management.

According to the memorandum of understanding, the Police Department was the primary recipient and fiscal agent for the Recovery Act grant, and the Corrections and Rehabilitation Department was a subrecipient of the grant program. The Police Department was responsible for monitoring the Corrections and Rehabilitation Department to ensure compliance with fiscal and programmatic requirements for the Recovery Act.

We found the Police Department maintained documented procedures for monitoring the Corrections and Rehabilitation Department to ensure it met the programmatic requirements of the grants. According to a Police Department official, the monitoring of the subrecipient was limited to the expenditure of grant funds and the submission of local reports for the number of new hires and trainees. Officials told us they relied on the reports prepared by the Corrections and Rehabilitation Department for compliance with programmatic requirements. The officials told us they believed the memorandum of understanding satisfied the monitoring requirement and submission of the periodic grant progress and financial reports. The monitoring practices were informal and performed as established in the memorandum of understanding between the Police Department and Corrections and Rehabilitation. We found that the Police Department's

monitoring consisted of a visit to the jail to verify and review information for the four hired officers and reviewing performance data and financial documents prepared by the Corrections and Rehabilitation Department. The Police Department also provided the Corrections and Rehabilitation Department with instruction and guidance to address grant requirements. We considered the monitoring adequate in meeting grant requirements.

## **Conclusion**

The Miami-Dade Police Department generally complied with the grant requirements pertaining to internal controls, grant drawdowns, grant expenditures, budget management and control, and grant reporting. However, we found weaknesses in the management of accountable property and program performance and accomplishments.

Specifically, we found that the Police Department:

1. incorrectly recorded seven accountable property items in the county's inventory system, and
2. did not establish baseline data to measure program performance and accomplishments for effectiveness and efficiency.

During the audit, police department officials corrected the accountable property errors.

Based on the weaknesses identified, we make the following recommendations.

## **Recommendations**

We recommend that the Office of Justice Programs:

1. Ensure the Miami-Dade Police Department enhances the process for recording and tracking all grant-funded property to ensure that assets are identifiable and accurately recorded. The Police Department Grant Manager should review the accountable property each year and certify that the assets purchased with federal funds were properly and accurately recorded.
2. Ensure the Miami-Dade Police Department provides baseline data for the Department of Justice grant-funded programs to ensure proper measurement of program performance and accomplishments.

### OBJECTIVES, SCOPE, AND METHODOLOGY

The purpose of this audit was to determine whether the Miami-Dade Police Department used grant funds for costs that were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants and whether the Police Department met or was on track to meet the goals and objectives outlined in the grant programs and applications; and submitted timely and accurate Recovery Act spending and job data to [FederalReporting.gov](http://FederalReporting.gov).

The objectives of the audit were to determine whether the Miami-Dade Police Department complied with essential grant conditions pertaining to: (1) internal controls; (2) grant drawdowns; (3) grant expenditures; (4) budget management and control; (5) matching costs; (6) property management; (7) financial, progress, and Recovery Act reports; (8) grant goals and accomplishments; (9) monitoring contractors; and (10) monitoring subrecipients.

We conducted this 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 covered the 2009 JAG Recovery Act and four other JAG awards that had sufficient activity to test the grantee's management of grants and subrecipients. We tested compliance with what we consider to be the most important conditions of the grants. Unless otherwise stated in our report, the criteria we audit against are contained in the Office of Justice Programs Financial Guide, Office of Management and Budget circulars, and specific program guidance.

In conducting our audit, we performed sample testing of drawdowns, grant expenditures, financial reports, progress reports, property management, and grant goals and accomplishments. 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 selected judgmental sample sizes for the testing of each grant. This non-statistical sample design does not allow projection of the test results to the universe from which the samples were selected.

In addition, we reviewed the timeliness and accuracy of financial, progress , and Recovery Act reports, compared performance to grant goals, and whether the Police Department adequately monitored subrecipients. We did not assess the reliability of the financial management system as a whole.

OJP'S RESPONSE TO THE DRAFT AUDIT REPORT



U.S. Department of Justice  
Office of Justice Programs  
Office of Audit, Assessment, and Management

Washington, D.C. 20531

SEP 20 2012

MEMORANDUM TO: Ferris B. Polk  
Regional Audit Manager  
Atlanta Regional Audit Office  
Office of the Inspector General

FROM:  Maureen A. Henneberg   
Director

SUBJECT: Response to the Draft Audit Report, *Audit of Office of Justice Programs Grants Awarded to the Miami-Dade County Police Department, Florida*

This memorandum is in response to your correspondence, dated August 24, 2012, transmitting the subject draft audit report for the Miami-Dade County Police Department (MDPD). We consider the subject report resolved and request written acceptance of this action from your office.

The draft audit 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 ensure that the Miami-Dade Police Department enhances the process for recording and tracking all grant-funded property, to ensure that assets are identifiable and accurately recorded. The Police Department Grant Manager should review the accountable property each year and certify that the assets purchased with Federal funds were properly and accurately recorded.**

OJP agrees with the recommendation. However, the MDPD provided OJP with a copy of its September 11, 2012 response to the draft audit report (see Attachment 1). In its response, the MDPD included evidence to support the implementation of a Grants Inventory Tracking database to specifically record and track all grant-funded property. Additionally, the MDPD stated that, going forward, all grant-funded equipment will be tagged for identification; and all equipment disposals will be reviewed and approved by the MDPD Grants Compliance Officer, through the submission of a Property Action Form by the Project Manager.

Further, the MDPD stated that the Grants Compliance Officer will conduct an annual audit of all grant-funded equipment, and will submit an Inventory Certification Memorandum to the Director of the MDPD each year. Based on OJP's review of the documentation provided by the MDPD, we believe these actions are sufficient to address the recommendation. Therefore, OJP respectfully requests closure of this recommendation.

**2. We recommend that OJP ensure that the Miami-Dade Police Department provides baseline data for the U.S. Department of Justice grant-funded programs, to ensure proper measurement of program performance and accomplishments.**

OJP agrees with the recommendation. We will coordinate with the MDPD to obtain a copy of procedures implemented to ensure that baseline data is provided for U.S. Department of Justice grant-funded programs, to ensure proper measurement of program performance and accomplishments.

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

Tracey Trautman  
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Bureau of Justice Assistance

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Internal Review and Evaluation Office  
Justice Management Division

OJP Executive Secretariat  
Control Number 20121423

THE MIAMI-DADE POLICE DEPARTMENT'S  
RESPONSE TO THE DRAFT REPORT



Miami-Dade Police  
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Director's Office



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September 11, 2012

Mr. Ferris B. Polk  
Regional Audit Manager  
Office of the Inspector General  
Atlanta Regional Audit Office  
U.S. Department of Justice  
75 Spring Street, Suite 1130  
Atlanta, Georgia 30303

Dear Mr. Polk:

The Miami-Dade Police Department (MDPD) is in receipt of your draft audit report, to the Office of Justice Programs (OJP), related to an audit of grants under the Edward Byrne Memorial Justice Assistance Grant Program, including a Recovery Act grant, awarded by the Bureau of Justice Assistance, to the MDPD. This audit included grant numbers 2007-DJ-BX-0683, 2008-DJ-BX-0570, 2009-DJ-BX-1327, 2009-SB-B9-2979, and 2010-DJ-BX-0167.

The draft audit report contains two recommendations which require a written response prior to the issuance of the final audit report. Below are the detailed recommendations along with the corresponding responses:

**Recommendation #1**

Ensure the MDPD enhances the process for recording and tracking all grant-funded property to ensure that assets are identifiable and accurately recorded. The Police Department Grant Manager should review the accountable property each year and certify that the assets purchased with federal funds were properly and accurately recorded.

**MDPD Response**

MDPD concurs with the first recommendation. As a result of this audit, the MDPD Grants Compliance Section has created and maintains a Grants Inventory Tracking database in Microsoft Access (Enclosure 1). This is a separate database, in addition to the Capital Inventory Record, that is maintained by Miami-Dade County and the MDPD inventory officer. All equipment, regardless of dollar value (capital and non-capital) invoiced by grant funding, will be entered by the Section's clerk into this database. The information captured includes grant number, index code, cost per item, serial number, Miami-Dade County capital inventory number, if applicable, and other pertinent fields.

9105 NW 25 Street • Doral, Florida • 33172-1500  
Telephone (305) 471-1780 • Fax (305) 471-2163 • Website <http://www.mdspd.com>

Mr. Ferris B. Polk  
September 11, 2012  
Page 2

All grant-funded equipment will be specifically tagged indicating that it is grant funded. Furthermore, all disposals must be reviewed and approved by the Grants Compliance Officer (GCO) before any disposition of equipment. A Property Action Form will be completed by the Project Manager and returned to the GCO for approval (Enclosure 2). Additionally, the GCO will conduct an annual audit of grant purchased equipment and complete an Inventory Certification Memorandum addressed to this writer certifying the accuracy of the inventory (Enclosure 3).

**Recommendation #2**

Ensure the MDPD provides baseline data for the Department of Justice grant-funded programs to ensure proper measurement of program performance and accomplishments.

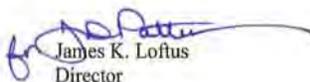
**MDPD Response**

MDPD concurs with the recommendation that we did not establish baseline measurements to evaluate whether grant funds provided improved program effectiveness and efficiencies.

MDPD reported fund expenditures, acquired equipment, and other pertinent information utilizing the Performance Measurement Tool as provided by the OJP Bureau of Justice Assistance. To ensure enhanced reporting, MDPD will establish baseline measurements for future grant awards which will be presented to project managers during the award meeting. This information will be used to compare with the actual performance data collected and incorporated into the quarterly reports.

Please be assured of our continued cooperation in areas of mutual concern. If you have any questions on this matter, please contact Sergeant Randy Rossman, of our Fiscal Administration Bureau, at (305) 471-2501.

Sincerely,

  
James K. Loftus  
Director

Enclosures (3)  
c: Genaro "Chip" Iglesias  
Deputy Mayor/Chief of Staff

Alina T. Hudak  
Deputy Mayor/County Manager

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

The Office of the Inspector General provided a draft audit report to the Office of Justice Programs (OJP) and the Miami-Dade Police Department. OJP's response is incorporated in Appendix 2 and the police department's response is incorporated in Appendix 3.

**Recommendation Number:**

- 1. Closed.** OJP concurred with our recommendation to enhance the process for recording and tracking all grant-funded property to ensure that assets are identifiable and accurately recorded. In its response, OJP referred to documentation and descriptions of processes provided by the Miami-Dade Police Department to support the implementation of a grant inventory database to specifically record and track all grant-funded property. OJP believed these actions to be sufficient to address the recommendation.

The Miami-Dade Police Department concurred with our recommendation and provided support for the improvements to its processes for recording and tracking all grant-funded property.

This recommendation is closed based on the evidence provided for the Miami-Dade Police Department's implementation of controls over recording and tracking all grant-funded property.

- 2. Resolved.** OJP concurred with our recommendation to provide baseline data for the Department of Justice grant-funded programs to ensure proper measurement of program performance and accomplishments. OJP stated in its response that it will coordinate with the Miami-Dade Police Department to obtain a copy of procedures implemented to ensure that baseline data is provided for grant-funded programs for the proper measurement of program performance and accomplishments.

The Miami-Dade Police Department concurred with our recommendation and stated it will establish baseline measurements for future grant awards, compare actual performance data collected to the established baseline, and incorporate the results into the quarterly reports.

This recommendation can be closed when we receive and review procedures that ensure the Miami-Dade Police Department implemented processes for providing baseline data for grant-funded programs for the proper measurement of program performance and accomplishments.