



**AUDIT OF THE OFFICE OF COMMUNITY ORIENTED  
POLICING SERVICES AND OFFICE OF JUSTICE  
PROGRAMS GRANTS AWARDED TO THE CITY OF  
HARTFORD, CONNECTICUT**

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

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**EXECUTIVE SUMMARY**

The Department of Justice Office of the Inspector General, Audit Division, has completed an audit of four grants awarded to the city of Hartford, Connecticut (Hartford). These grants were an Office of Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP) grant, an Office of Justice Programs (OJP) Bureau of Justice Assistance (BJA) Recovery Act Edward Byrne Memorial Justice Assistance Grant (JAG), and two non-Recovery Act JAG grants. Collectively, the grants totaled \$6,495,028. The general purpose of the Recovery Act grants was to preserve jobs, promote economic recovery, and increase crime prevention efforts. In addition, COPS awarded CHRP funding to increase community policing capacity and crime-prevention efforts, and OJP awarded JAG funding to support a range of program areas including law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.

The objective of our audit was to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and the terms and conditions of the grants. We also assessed Hartford's program performance in meeting grant objectives and overall accomplishments.

We reviewed Hartford's compliance with key award conditions and found issues with Hartford's CHRP application. We found inaccuracies in 7 data elements and a lack of supporting documentation for 10 data elements Hartford submitted to COPS in its grant application. To select CHRP grantees, COPS developed a methodology that scored and ranked each applicant based on key data submitted by the applicant. While COPS performed some limited data validity checks, COPS relied heavily on the accuracy of the data submitted by grant applicants. Specifically, we found inaccuracies or Hartford was unable to provide supporting documentation for application data regarding the categories of: Locally Generated Revenues for FYs 2007 and 2009; Law Enforcement Reduced through Layoffs (Civilian Agency Personnel and Other Government Personnel); and Law Enforcement Reduced through Official Policies (Civilian Agency Personnel, Law Enforcement Personnel, and Other Government Personnel).

Additionally, we found that Hartford overcharged the grants \$15,419. Hartford overcharged the CHRP grant \$14,160 in fringe benefit expenditures and purchased \$1,259 in unallowable supplies for a JAG. Hartford charged the CHRP grant directly \$8,908 in Workers' Compensation, \$2,029 for Medicare expenses and duplicated the charges as part of the fringe benefit rate. In addition, Hartford included the Workers' Compensation direct charge in the payroll amount used to calculate fringe benefits. As a result, Hartford charged another \$3,223 in unallowable fringe benefits. Because Hartford corrected the \$8,908 Workers' Compensation, the \$2,029 Medicare duplicate charges and the \$1,259 unallowable expense during our audit, we question the remaining \$3,223.

Hartford also had an inadequate drawdown process for the CHRP grant. As a result, Hartford drew funds well in advance of their being expended. The guidelines specifically require funds be drawn on a reimbursement basis or used within 10 days. Over the course of the grant, Hartford drew down excess funds on four of the nine drawdown requests we reviewed.

Additionally, Hartford did not maintain documentation supporting the information in the JAG progress reports until October 2011. For JAG number 2007-DJ-BX-0868, Hartford was unable to support that the overtime charged to the grant was used for one of the approved programs or divisions. According to the Hartford Police Department Fiscal Manager, the Hartford accounting system could not identify the division or program where an officer incurred the overtime charged to the grant and the overtime would have been verified manually from time cards for 3 years. Without the supporting information, we were unable to verify whether the information in the JAG progress reports was accurate. Although Hartford officials generally submitted each of the reports we tested within the required timeframe and included all of the required performance elements in its reports, it could not support information in its JAG progress reports. As a result, we concluded that Hartford did not meet the reporting requirements.

These items are discussed in further detail in the Findings and Recommendations section of the report. Our audit objectives, scope, and methodology appear in Appendix I.

We discussed the results of our audit with Hartford officials and have included their comments in the report, as applicable. In addition, we requested a response to our draft report from Hartford officials, COPS, and OJP, and their responses are appended to this report as Appendices III, IV

and V, respectively. Our analysis and summary of actions necessary to close the recommendation can be found in Appendix VI of this report.

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## **INTRODUCTION**

The Department of Justice Office of the Inspector General, Audit Division, has completed an audit of four grants awarded to the city of Hartford, Connecticut (Hartford). These grants included an Office of Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP) grant number 2009-RK-WX-0191, an Office of Justice Programs (OJP) Bureau of Justice Assistance (BJA) Recovery Act Edward Byrne Memorial Justice Assistance Grant (JAG) number 2009-SB-B9-1792, and two non-Recovery Act JAG grants numbers 2009-DJ-BX-1463 and 2007-DJ-BX-0868. Collectively, the grants totaled \$6,495,028. The general purpose of the Recovery Act grants was to preserve jobs, promote economic recovery, and increase crime prevention efforts. In addition, COPS awarded CHRP funding to increase community policing capacity and crime-prevention efforts and OJP awarded JAG funding to support a range of program areas including law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.

The objective of our audit was to determine whether costs claimed under the grants were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and the terms and conditions of the grants. We also assessed Hartford's program performance in meeting grant objectives and overall accomplishments. The following table shows the total funding for the grants.

### **COPS Hiring Recovery and OJP JAG Grants Hartford, Connecticut**

<b>Grant Number</b>	<b>Start Date</b>	<b>End Date</b>	<b>Amount</b>
2009-RK-WX-0191	07/1/2009	06/30/2012	\$ 4,265,672
2009-SB-B9-1792	03/1/2009	02/28/2013	\$ 1,529,576
2009-DJ-BX-1463	10/1/2008	09/30/2012	\$ 357,728
2007-DJ-BX-0868	10/1/2006	09/30/2010	\$ 342,052
<b>Total:</b>			<b>\$6,495,028</b>

Source: COPS

### **The Office of Community Oriented Policing Services**

The Office of Community Oriented Policing Services (COPS), within the Department of Justice, assists law enforcement agencies in enhancing public safety through the implementation of community policing strategies in

jurisdictions of all sizes across the country. COPS provides funding to state, local, and tribal law enforcement agencies and to other public and private entities to hire and train community policing professionals, acquire and deploy cutting-edge crime-fighting technologies, and develop and test innovative policing strategies.

## **Office of Justice Programs**

The mission of the Office of Justice Programs (OJP) is to increase public safety and improve the fair administration of justice across America through innovative leadership and programs. OJP works in partnership with the justice community to identify the most pressing crime-related challenges confronting the justice system and to provide information, training, coordination, and innovative strategies and approaches for addressing these challenges.

### *Bureau of Justice Assistance*

The mission of the Bureau of Justice Assistance (BJA), a component of OJP, is to provide leadership and services in grant administration and criminal justice policy development to support local, state, and tribal justice strategies to achieve safer communities. BJA has three primary component offices: Policy, Programs, and Planning. The Policy Office was established to provide national leadership in criminal justice policy, training, and technical assistance to further the administration of justice. It also acts as a liaison to national organizations that partner with BJA to set policy and help disseminate information on best and promising practices. The Programs Office works to coordinate and administer all state and local grant programs and acts as BJA's direct line of communication to states, territories, and tribal governments by providing assistance and coordinating resources. The Planning Office works to coordinate the planning, communications, budget formulation and execution, and provide overall BJA-wide coordination.

## **American Recovery and Reinvestment Act**

On February 17, 2009, the President signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act). The purposes of the Recovery Act were to: (1) preserve and create jobs and promote economic recovery; (2) assist those most impacted by the recession; (3) provide investments needed to increase economic efficiency by spurring technological advances in science and health; (4) invest in transportation, environmental protection, and other infrastructure that will provide long term economic benefits; and (5) stabilize state and local government

budgets in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

The Recovery Act provided approximately \$4 billion to the Department of Justice in grant funding to be used to enhance state, local, and tribal law enforcement efforts. Of these funds, \$1 billion was provided to the COPS Office for grants to state, local, and tribal governments to hire or retain police officers.

#### *COPS Hiring Recovery Program*

To distribute the Recovery Act money, COPS established the COPS Hiring Recovery Program (CHRP), a grant program for the hiring, rehiring, and retention of career law enforcement officers. COPS created CHRP to provide 100 percent of the funding for approved entry-level salaries and benefits (for 3 years) for newly-hired, full-time sworn officer positions, for rehired officers who had been laid off, or for officers who were scheduled to be laid off on a future date. COPS received 7,272 applications requesting funding for approximately 39,000 officer positions. On July 28, 2009, COPS announced its selection of 1,046 law enforcement agencies as recipients of the \$1 billion CHRP funding to hire, rehire, and retain 4,699 officers. The grants were competitively awarded based on data submitted by each applicant related to fiscal and economic conditions, rates of crime, and community policing activities.

#### *Office of Justice Programs Byrne Memorial Justice Assistance Grant*

The Byrne JAG (JAG) program is the primary provider of federal criminal justice funding to state and local jurisdictions. Recovery Act JAG funds supported all components of the criminal justice system, from multi-jurisdictional drug and gang task forces to crime prevention and domestic violence programs, courts, corrections, treatment, and justice information sharing initiatives. These JAG funded projects are intended to address crime by providing services to individuals and communities, and the projects were designed to improve the effectiveness and efficiency of state and local criminal justice systems. OJP awarded these Recovery Act JAG grants based on a state's share of the national population as well as the state's share of violent crime statistics. Local governments received direct funding that was based on the local government's share of total violent crime within their state.

## City of Hartford, Connecticut

The city of Hartford is located in Hartford County and is the capital of Connecticut. The Hartford Police Department's approved budget in fiscal year (FY) 2012 was \$36,563,787, and at the time of the grant application, the Hartford Police Department had a budgeted sworn force strength of 482 officers.

According to Hartford's CHRP grant application, Hartford consists of 17 separate neighborhoods that present a diverse array of law enforcement challenges for the Hartford Police Department. Hartford's urban core is ranked as the fourth poorest economy in the nation. Many of the leading predictors of crime are prevalent in Hartford including poverty, poor education, and lack of opportunity. In addition, Hartford is, per capita, the leading drug crime jurisdiction in New England.

### OIG Audit Approach

We tested compliance with what we considered to be the most important conditions of the awards. Unless otherwise stated in our report, we applied the 2009 CHRP Grant Owner's Manual (Grant Owner's Manual), the OJP Financial Guide, and the specific terms and conditions of each grant award as our primary criteria during our audit. We also considered applicable Office of Management and Budget (OMB) and Code of Federal Regulations (C.F.R.) criteria in performing our audit. We tested Hartford's:

- **CHRP application statistics** to assess the accuracy of key statistical data that the grantee submitted with its CHRP application.
- **Internal control environment** to determine whether the financial accounting system and related internal controls were adequate to safeguard award funds and ensure compliance with the terms and conditions of the awards.
- **Salary and fringe benefit expenditures** to determine whether the salaries and fringe benefits charged to the awards were allowable, supported, and accurate.
- **Budget management and control** to determine whether Hartford adhered to the COPS and OJP-approved budgets for the expenditure of grant funds.

- **Reporting** to determine if the required periodic Federal Financial Reports, Progress Reports, and Recovery Act Reports were submitted on time and accurately reflected award activity.
- **Drawdowns (request for grant funding)** to determine whether requests for reimbursements were adequately supported and if Hartford managed grant receipts in accordance with federal requirements.
- **Compliance with other award conditions** to determine whether Hartford complied the terms and conditions of the grants.
- **Program performance and accomplishments** to determine whether Hartford achieved grant objectives and to assess performance and grant accomplishments.

Where applicable, we also test for compliance in the areas of indirect costs and matching funds. For the four grants, there were no indirect costs approved, and matching funds were not required.

## FINDINGS AND RECOMMENDATIONS

We found Hartford (1) submitted inaccurate or unverifiable data on its CHRP grant application; (2) charged unallowable duplicate expenses to the grant; (3) maintained no support for JAG Progress Reports; (4) submitted inaccurate Federal Financial Reports; (5) used a flawed process to drawdown CHRP grant funds; and (6) did not minimize cash on hand. These conditions, including the underlying causes and potential effects on the grants, are discussed in the body of the report.

### CHRP Application Statistics

To select CHRP grantees, COPS developed a methodology that scored and ranked applicants based on data related to their fiscal and economic conditions, rates of crime, and community policing activities. In general, the applicants experiencing more fiscal and economic distress, exhibiting higher crime rates, and demonstrating well-established community policing plans received higher scores and were more likely to receive a grant. While COPS performed some limited data validity checks, COPS relied heavily on the accuracy of the data submitted by grant applicants. In the CHRP Application Guide, COPS reminded applicant agencies to provide accurate agency information as this information may be used, along with other data collected, to determine funding eligibility. In our May 2010 report of the COPS grant selection process, we found that the validation process COPS used to ensure the accuracy of the crime data submitted by applicants was inadequate.<sup>1</sup> As a result, some agencies may have received grant funds based on inaccurate applications. However, we were unable to determine the number of applications that included inaccurate data.

During this audit, we obtained documentation from Hartford to support the information it submitted to COPS to secure the 2009 CHRP grant and we found inaccuracies in or a lack of supporting documentation for the information submitted in the CHRP application. Specifically, we found inaccuracies in seven of the FBI Uniform Crime Reports statistics reported for 2008. In addition, Hartford was unable to provide supporting documentation for an additional 10 data items including, Locally Generated Revenue (2007 and 2009), Law Enforcement Reduced through Lay-offs (3 categories), and Law Enforcement Reduced through Official Policies (3 categories).

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<sup>1</sup> U.S. Department of Justice Office of the Inspector General, *A Review of the Selection Process for the COPS Hiring Recovery Program*, Audit Report 10-25, (May 2010).

Hartford officials explained that the data was gathered and submitted by staff members who left no supporting documentation or analyses. As a result, they were unable to validate some of the numbers submitted in the CHRP grant application.

Because the application information was used to determine the grantee's eligibility to receive the grant, we analyzed the effect of the seven inaccurate data elements that Hartford submitted in its application. We determined that the inaccurate data did not appear to have affected the suitability of the award; therefore, we do not question the award of the CHRP grant to Hartford. However, because the data that grantees submit are relied upon to award substantial grants, we believe it is vital that grantees ensure that the data and information submitted to awarding agencies is accurate. Because future inaccurate data may have a substantial effect on award decisions, we recommend that Hartford enhance its procedures regarding future grant applications.

### **Internal Control Environment**

Our audit included a review of Hartford's accounting and financial management system and Single Audit Reports to assess the risk of non-compliance with laws, regulations, guidelines, and the terms and conditions of the grant. We also interviewed management staff from the organization, performed payroll and fringe benefit testing, and reviewed financial and performance reporting activities to further assess the risk.

According to the OJP Financial Guide, grant recipients are responsible for establishing and maintaining an adequate system of accounting and internal controls. An acceptable internal control system provides cost controls to ensure optimal use of funds. Grant recipients must adequately safeguard funds and ensure they are used solely for authorized purposes.

While our audit did not assess Hartford's overall system of internal controls, we did review the internal controls of Hartford's financial management system specific to the administration of grant funds during the periods under review.

#### *Financial Management System*

The Code of Federal Regulations (C.F.R.) requires recipients to maintain records to adequately identify the source and application of grant funds provided for financially supported activities. These records must contain information pertaining to grant awards and authorizations,

obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

Hartford used two systems for financial management during the period audited, SmartStream and MUNIS. JAG grant number 2007-DJ-BX-0868 was partially administered using SmartStream. In 2008, Hartford began using MUNIS. All four grants were, at least partially, administered using MUNIS.

We found that Hartford maintained these records in four separate accounts, one for the CHRP grant and one for each of the JAG grants. We determined that the accounts tracked obligations, outlays, and expenditures allocated to each project. However, we found financial reporting issues discussed later in the "Reporting" section of this report.

### **Salary and Fringe Benefits Expenditures**

We found that Hartford correctly charged the entry-level salary amount approved in the grant budget for each CHRP grant-funded officer. However, we found that Hartford overcharged the grant for fringe benefit costs for its CHRP grant. For the JAG awards, Hartford correctly charged the grants for police officer overtime and most other grant approved expenses, however, Hartford charged unallowable supplies to one JAG grant.

We tested a judgmental sample of Hartford's salary, fringe benefit, and overtime expenditures to determine if they were allowable, supportable, and accurate. To determine if expenditures were allowable, we compared the types of expenditures charged to the grant to those approved in the terms and conditions of the grants. To determine if expenditures were supported and accurate, we tested salary, benefit, and overtime expenditures by evaluating the allocations of salaries, benefits, and overtime based on the requirements identified by COPS and OJP in the respective award documents.

#### *COPS Hiring Recovery Program Grant*

According to the CHRP grant application and award documentation, the CHRP grants were intended to provide 100-percent funding for the approved entry-level salaries and fringe benefits of full-time sworn career law enforcement officers. In cases where the officer's salary and fringe benefits exceeded that of entry-level officers, the additional costs were the responsibility of the grantee.

We found Hartford officials segregated grant-funded expenditures into separate accounts. The Hartford Police Department used time cards to track officers' time worked, and grant-funded officers' time cards are annotated with the grant name and reviewed by a supervisor. Police Department staff enter the data into their financial management system using an accounting code for a grant. The data is then processed by the City of Hartford's payroll department.

Hartford's CHRP award included an approved fringe benefit rate of 36.18 percent. This rate included Medicare, health insurance, life insurance, retirement, Workers' Compensation, and unemployment insurance. In the segregated accounting records, Hartford established separate accounting codes to ensure only approved benefits were reported in the account. However, Hartford still included unallowable expenses as part of the payroll and computed unallowable fringe benefits on the unallowable payroll amount.

To determine whether Hartford accurately calculated and allocated the fringe benefit costs to the CHRP grant, we tested the first 2 years of the grant's charges covering December 12, 2009, to April 3, 2012. We found that Hartford overcharged the grant \$14,160. The following table shows the charges in each category:

**Hartford's CHRP Expenses As of April 3, 2012**

<b>Expense Category</b>	<b>Actual Charges</b>	<b>OIG Calculated Allowable Charges</b>	<b>Difference</b>
Salary	\$ 2,313,051	\$ 2,313,051	\$ 0
Fringe Benefits	840,085	836,862	3,223
Workers' Compensation	8,908	0	8,908
Social Security/Medicare	2,029	0	2,029
<b>Total</b>	<b>\$3,164,073</b>	<b>\$3,149,913</b>	<b>\$14,160</b>

Source: OIG Analysis

Hartford charged \$8,908 in Workers' Compensation and \$2,029 in Medicare expenses as a direct charge to the grant and duplicated the charge as part of the fringe benefit rate. Hartford correctly excluded the Medicare charge from the payroll amount used to calculate the fringe benefit expense

to be charged to the grant. However, Hartford incorrectly included \$8,908 of Workers' Compensation expenses in its payroll amount. The Workers' Compensation expenses were also subject to the fringe benefit rate of 36.18 percent resulting in an additional \$3,223 in unallowable fringe benefits. As a result, we questioned \$14,160 in unallowable fringe benefit expenses. However, Hartford provided documentation demonstrating that it removed the \$2,029 Medicare and the \$8,908 Workers' Compensation duplicate charges from the grant and those expenses are now charged against Hartford's General Fund. As a result, we question the remaining \$3,223.

Hartford agreed with our findings and determined that these were errors to grants that were mischarged early in the grant but were never corrected. According to a Hartford official, these mischarges were due to a less experienced official, without experience in managing a grant of this complexity, mistakenly charging the grant for unallowable items. In addition, the official added that highlighting this issue as a result of our audit has caused the Hartford officials to check other grants for similar mischarges.

#### *Office of Justice Programs Byrne Memorial Justice Assistance Grants*

According to the JAG applications and award documentation, the JAG awards were to pay for overtime expenses for police officers for various law enforcement activities. Grant number 2007-DJ-BX-0868 also was also used to pay for training of Hartford Police Department's Crime Analysis staff (\$10,000) and (2) truancy incentives (pizza party, plaques) (\$10,052).

We found that Hartford correctly charged the police officer overtime and most other approved items in the grant budgets. However, we found that Hartford charged \$1,259 in supplies to the grant and we questioned that charge. During our audit, Hartford provided documentation demonstrating that they backed out the charge from the grant and properly charged the expense to the city's General Fund. We concluded that the issue has been adequately corrected.

We verified the accuracy of the base salary, overtime rate, overtime worked; that the overtime charges were accurately recorded in the accounting system; and that supervisors approved the time cards tested. Based on our review of payroll records, personnel data, and our verification of Hartford's accounting methodology, we concluded that Hartford officials met the terms and conditions of the JAG awards for accurately reporting overtime expenditures.

## **Other Grant Expenditures**

Hartford created separate cost centers within their accounting system to segregate and specifically track expenditures made for each of the four grants. Hartford charged 19 non-salary transactions totaling \$23,526 to the 2007 JAG award. The 19 transactions included expenditures for conference registration, bus transportation, and uniforms. We reviewed the 19 transactions to determine if the transactions were properly recorded, allowable, and supported. To determine if the expenditures were properly recorded, we verified that amounts from Hartford's accounting system matched the budgeted amounts. To determine if expenditures were allowable, we compared the expenditures to the award budget, permissible uses of funds outlined in the OJP Financial Guide, and the terms and conditions of the awards. To determine if expenditures were supported, we reviewed purchase documents, invoices, and accompanying accounting system data. We found that all transactions were properly recorded, allowable and supported.

## **Budget Management and Control**

Criteria established in 28 C.F.R § 66.30 addresses budget controls surrounding grantee financial management systems. According to the C.F.R., grantees are permitted to make changes to their approved budgets to meet unanticipated program requirements. However, the movement of funds between approved budget categories in excess of 10 percent of the total award must be approved in advance by the awarding agency. Budget management controls ensure federal funds are not exposed to unauthorized expenses, misuse, and waste.

COPS approved an itemized budget for the CHRP grant that included budget categories for salary and fringe benefits. OJP approved a budget for the JAG awards for police officer overtime, training, and truancy incentives. While the CHRP grant was still in progress at the time of our audit; as of April 3, 2012, Hartford remained within the approved budget allowance for each category for this grant.

## **Reporting**

### *Federal Financial Reports*

The financial aspects of the grants we reviewed were monitored through Federal Financial Reports (FFRs). FFRs are designed to describe the status of grant funds and should be submitted within 30 days of the end of the most recent quarterly reporting period. Funds for the current award or

future awards may be withheld if reports are not submitted or are excessively late.

Hartford officials told us they completed FFRs using quarterly reports from their accounting system. We sampled 10 CHRP grant FFRs between December 31, 2009 and March 31, 2012. We concluded two of the reports tested were accurate because each project's total expenditures reported in the FFR agreed with, or was less than, the totals reported in Hartford's accounting records. The remaining eight FFRs were inaccurate due to Hartford's adding cumulative totals to prior quarter's cumulative total, overstating expenditures for the quarter, including unallowable duplicative charges and other miscalculations during attempts to correct previous errors. As of March 31, 2012, Hartford had corrected the cumulative differences between the FFRs and its accounting records. We have summarized the differences between the FFRs and Hartford's accounting records for the CHRP grant.

**Federal Financial Report Accuracy Determination for CHRP Grant**

<b>Report Quarter Ending Date</b>	<b>Cumulative Expenditures (Per FFR)</b>	<b>Cumulative Expenditures (Per Accounting Records)</b>	<b>Difference</b>
12/31/2009	\$57,777	\$42,820	\$14,957
3/31/2010	\$339,689	\$251,471	\$88,218
6/30/2010	\$637,540	\$650,884	(\$13,344)
9/30/2010	\$1,357,214	\$902,398	\$454,816
12/31/2010	\$2,001,132	\$1,164,743	\$836,389
3/31/2011	\$2,305,039	\$1,406,870	\$898,169
6/30/2011	\$2,675,071	\$2,219,263	\$455,808
9/30/2011	\$2,675,071	\$2,470,090	\$204,981
12/31/2011	\$2,773,874	\$2,750,723	\$23,151
3/31/2012	\$3,046,010	\$3,164,074	(\$118,064)

Source: Hartford Police Department and COPS

We also tested each FFR for timeliness using the criteria noted above and we found Hartford submitted all 10 FFRs timely.

For the JAG awards we tested, 12 FFRs covered financial activity between July 1, 2009 and March 31, 2012. We found Hartford submitted all 12 FFRs timely and each report was accurate.

### *Progress Reports*

COPS established a quarterly requirement for CHRP progress reports. The reporting requirements included a survey that required recipients to report the number of jobs created or saved by grant funding and a self-assessment of the recipient's progress toward meeting its community policing goals, although COPS did not require the recipients to maintain documentation to support the self-assessment of community policing goals. We sampled the last four progress reports submitted by Hartford and each progress report was within the required time period specified by COPS. In addition, each report included all of the required reporting elements. We concluded that Hartford met the CHRP progress reporting requirement.

The OJP Financial Guide established an annual progress reporting requirement for JAG awards. The reports were due no later than December 31 of each year. We reviewed nine JAG progress reports Hartford submitted, covering the periods October 1, 2006 through September 30, 2011, and found Hartford submitted each progress report within the required time period specified by the OJP Financial Guide. However, Hartford did not maintain documentation supporting the information listed in the JAG progress reports. According to a Hartford official, Hartford was not made aware that it was required to report on the progress made in achieving grant goals until October 2011. In addition, the accounting system could not identify the division or program where an officer incurred the overtime charged to the grant and the overtime would have to be verified manually from time cards for 3 years.

As a result, without the supporting information, we were unable to verify whether the information in its JAG progress reports were accurate. The reports included: (1) goals and accomplishments as they relate to the grant and (2) crime statistics that officials believed were impacted by the grant. We concluded that Hartford did not meet the JAG progress reporting requirement.

### *Recovery Act Reports*

In addition to normal reporting requirements, grantees receiving Recovery Act funding are required to submit quarterly reports that include both financial and programmatic data. The Recovery Act requires recipients to submit their reporting data through [FederalReporting.gov](http://FederalReporting.gov), an online web portal that collects all the reports. Recipients must enter their data no later than the 10<sup>th</sup> of the month after each quarter beginning September 30, 2009.

Hartford was responsible for submitting seven CHRP and three JAG Recovery Act reports during the period of review. We examined 10 quarterly reports and we found officials submitted 9 of the 10 reports in a timely manner. One JAG report was submitted 12 days late, but we did not consider this to be significant. Because Hartford officials generally submitted each of the reports we tested within the required timeframe, and because the reports included all of the required performance elements, we concluded Hartford met the Recovery Act reporting requirements.

## **Drawdowns**

Drawdown is a term used to describe a recipient's request for reimbursement of grant-related expenditures. The OJP Financial Guide establishes the methods by which the Department of Justice makes payments to grantees. Advances are allowed, but non-formula grant funding must be used within 10 days of receiving funds. To determine if drawdowns were completed in advance or on a reimbursement basis, we interviewed grant officials and reviewed documentation supporting the actual expenditures. We determined grant funds for the three JAG grants were requested on a reimbursement basis. However, for the CHRP grant, Hartford drew down funds in excess of incurred allowable expenses and the excess funds were not spent within the required 10 days. While there is no interest penalty for not immediately using the funds, the federal government incurred interest costs to provide this money to Hartford without the funds being expended, and is indicative of a flawed drawdown process.

### *COPS Hiring Recovery Program Grant*

At the time of our field work, Hartford had drawn down \$3,046,010 of the \$4,265,672 total CHRP award. We examined nine drawdowns made between February 16, 2010 and April 3, 2012. Hartford used a segregated accounting code for the CHRP grant to establish the amount of funding requested for each drawdown. According to a Hartford official, drawdowns were made on a reimbursement basis at or near the end of the calendar quarter. However, we found that Hartford had received advanced grant funds in excess of expenses.

We also found that Hartford had an inadequate drawdown process for the CHRP grant. A Hartford official prepared FFRs and drawdown requests at the end of each quarter using year-to-date information that was retrieved from Hartford's financial system. The responsible Hartford official explained that he was inexperienced in the job and mistakenly used the cumulative year-to-date amount instead of the quarterly expenses as the requested reimbursement amount. As a result of this error Hartford drew down excess

funds in four of the nine drawdown requests and maintained excess funds in its bank account for over a year. We provided Hartford a recommendation to address these deficiencies.

#### *Office of Justice Programs Byrne Memorial Justice Assistance Grants*

At the time of our field work, Hartford had drawn down the entire \$2,214,707 for the JAG grants. We examined 17 drawdowns Hartford made between August 1, 2008 and April 6, 2012. We determined that Hartford correctly based JAG grant drawdowns on actual expenditures for the period.

#### **Compliance with Award Special Conditions**

Award special conditions are included in the terms and conditions of a grant and special conditions may be added to address special provisions unique to an award. To ensure job growth or job preservation, the Recovery Act stipulated that grant funds should be used to supplement existing funding and not supplant, or replace, funding already appropriated for the same purpose. The CHRP grant also required recipients to plan to retain all sworn officer positions funded by the award for 1 year after the grant ended. Our analysis showed that Hartford generally complied with the special condition requirements for the CHRP award.

#### *Supplanting Analysis*

During our audit, we completed an analysis of the number of jobs Hartford created with Recovery Act funding through the grant, examining the potential for supplanting.

Hartford received CHRP funding to hire 23 full-time uniformed officer positions. To eliminate the potential for supplanting after a recipient receives funding, the recipient is expected to maintain its local budget for sworn officers during and after the period of the grant. Since the grant was active at the time of our field work, we examined the Hartford Police Department's budget and the number of sworn officers or full-time equivalents (FTEs) during the 2008-2011 budget years.

**Hartford Police Department  
Fiscal Years 2008 to 2011 Total General Fund Funding  
Adopted Budgets and Full-time Equivalents**

<b>Fiscal Year</b>	<b>Total Budget</b>	<b>Planned FTEs</b>	<b>Actual FTEs</b>
2008	\$37,235,766	525	511
2009	\$37,993,999	559	524
2010	\$36,528,537	520	508
2011	\$39,261,018	516	497

Source: Hartford Police Department

In addition to remaining within the approved budget allowance, Hartford must ensure it does not supplant local funds with grant funds. According to the Grant Owner's Manual, grant recipients may not reduce their locally-funded number of sworn officer positions during the 3-year CHRP grant period as a direct result of receiving the CHRP funding to pay for additional officers. Reductions in locally-funded sworn officer positions that occur for reasons unrelated to the CHRP funding – such as city-wide budget cuts – do not violate the non-supplanting requirement, but recipients must maintain documentation demonstrating the date(s) and reason(s) for the budget cuts to prove that they were unrelated to the receipt of CHRP grant funding in the event of an audit, monitoring site visit, or other form of grant compliance review.

We reviewed Hartford's funding strength for FYs 2008 through 2011 to determine if Hartford reduced its funding strength as a result of receiving grant funds. We found that Hartford's funding strength for officers was reduced by 39 from 559 in FY 2009, and to 520 in FY 2010 and then to 516 in 2011. According to documentation we reviewed, the reduction in funding strength was a result of economic distress that had an adverse effect on the budgets and staffing levels of the city's various agencies, including the police department. Because of the economic distress on the city, and other city agencies being asked to reduce staffing, we concluded that this reduction did not constitute a violation of the non-supplanting requirement.

## *Retention Planning*

At the end of the CHRP grant, recipients are expected to retain grant funded officers by adding local funds to their projected budgets. The number of officers retained should be over and above the number of positions that would have existed in the absence of the grant.

During budget hearings at the time of application, Hartford officials stated the requirement to retain grant funded officers with local funding. Since the grant has not ended, we reviewed both the FY 2011 and 2012 department budgets and found the city included local funding to retain the grant funded officers.

## **Program Performance and Accomplishments**

In the CHRP Application Guide, COPS identified the methods for measuring a grantee's performance in meeting CHRP grant objectives. According to COPS, there were two objectives to the CHRP grant: (1) to increase the capacity of law enforcement agencies to implement community policing strategies that strengthen partnerships for safer communities and enhance law enforcement's capacity to prevent, solve, and control crime through funding additional officers; and (2) to create and preserve law enforcement officer jobs. Quarterly progress reports describing how CHRP funding was being used to assist the grantee in implementing its community policing strategies and detailing hiring efforts were to be the data source for measuring performance. However, COPS did not require grantees to track statistics to respond to the performance measure questions in the progress reports. In addition, the grantee's community policing capacity implementation rating, identified in the progress report, would not be used in determining grant compliance.

Even though COPS did not require a grantee to track statistics to support its performance, it does require a grantee to be able to demonstrate that it is initiating or enhancing community policing in accordance with its community policing plan. According to Hartford's community policing plan, Hartford did not plan to initiate new community policing strategies but planned to enhance community policing in two areas: (1) routinely incorporating problem-solving principles into patrol work, and (2) systematically tailoring responses to crime and disorder problems to address their underlying conditions. According to Hartford officials, it has enhanced the use of its problem-solving principles in patrol work by incorporating more training and promoting more community-partnerships. In addition, Hartford increased its focus the past few years in working with Project Safe

Neighborhoods and the Violent Crime Impact Team joint task force to combat gun violence and firearms violations in Hartford.

Hartford has initiated several community policing strategies that provide enhanced neighborhood and needs-based community policing services. The additional patrol officers will improve enforcement and prevention in these disparate neighborhoods, which provide such extreme contrasts in economic and demographic diversity. One strategy that Hartford has adopted is the "Hot Spot Enforcement Program." This program tracks epicenters of gun violence and other criminal activities in the community such as robbery, burglary and assault in order to concentrate its efforts in areas where criminal activity is elevated. The purpose of this initiative is to reduce violent crime, to increase citizen safety, to reduce calls for service and to provide a visible police presence. We concluded that Hartford was meeting the community policing objective of the grant.

## **Conclusions**

We found that Hartford did not meet all of the terms and conditions for the CHRP grant and the JAG grants we reviewed. We found that Hartford did not maintain supporting data for some of its CHRP application data elements or its progress reports; drew down funds in excess of its immediate needs; charged unallowable fringe benefits to the grant; and submitted inaccurate FFR reports for the CHRP grant. As a result, we make six recommendations to address these findings.

## **Recommendations**

We recommend that COPS:

1. Ensure Hartford enhances its procedures to ensure it submits accurate and auditable data for future award applications.
2. Remedy the \$3,233 in unallowable fringe benefit charges to the CHRP grant.
3. Ensure Hartford enhances its procedures for ensuring that all costs charged to the grant are allowable and fully supported.
4. Ensure Hartford has a process to ensure that future grant administrators receive adequate training before assuming grant management duties.

5. Ensure Hartford accurately determines from its financial system the funds to be drawn down to minimize excess cash on hand and submits accurate financial reports.

We recommend that OJP:

6. Ensure Hartford maintains documentation to adequately support its JAG progress reports.

### OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of our audit was to determine whether reimbursements claimed for costs under four grants were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and the terms and conditions of the grants. We also assessed grantee program performance in meeting grant objectives and overall accomplishments. We reviewed activities in the following areas: (1) application statistics, (2) internal control environment, (3) personnel and fringe benefit expenditures, (4) grant expenditure, (5) drawdowns, (6) budget management and control, (7) reporting, (8) compliance with grant requirements, and (9) program performance and accomplishments. We determined that indirect and matching costs were not applicable to these grants.

We conducted this performance 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 provided a reasonable basis for our findings and conclusions based on our audit objectives.

We audited COPS Hiring Recovery Program Grant number 2009-RK-WX-0191 and Office of Justice Programs (OJP) Grant numbers 2009-SB-B9-1792, 2009-DJ-BX-1463, and 2007-DJ-BX-0868. The grantee had requested a total of \$5,260,717 in grant funding through April 6, 2012 for the four grants.

We tested compliance with what we considered to be the most important conditions of the grant. Unless otherwise stated in our report, the criteria we audited against are contained in the 2009 COPS Hiring Recovery Program Grant Owner's Manual, 2009 OJP Financial Guide, and grant award documents.

In conducting our audit, we performed testing in three areas: payroll and fringe benefit charges, Progress Reports, and Recovery Act Reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grant reviewed, such as unique payroll and fringe benefits adjustments throughout the year. This non-statistical sample design did 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 Federal Financial Reports, Progress Reports, and Recovery Act Reports; and

evaluated performance to grant objectives. However, we did not test the reliability of Hartford's financial management system as a whole. We tested the reliability of the information in the accounting system during the payroll verification testing. We traced a sample of the information in the accounting system to supporting documentation and found the information to be reliable.

**SCHEDULE OF DOLLAR-RELATED FINDINGS**

<b>QUESTIONED COSTS<sup>2</sup>:</b>	<b>AMOUNT</b>	<b>PAGE</b>
Unallowable Expenditures	\$3,223	10
<b>TOTAL QUESTIONED COSTS:</b>	<b>\$ 3,223</b>	
<b>TOTAL DOLLAR-RELATED FINDINGS:</b>	<b>\$ 3,223</b>	

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<sup>2</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements, or are not supported by adequate documentation at the time of the audit, or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, or the provision of supporting documentation.

CITY OF HARTFORD  
RESPONSE TO THE DRAFT AUDIT REPORT



PEDRO E. SEGARRA  
MAYOR

CITY OF HARTFORD

DEPARTMENT OF FINANCE  
550 Main Street – Suite 303  
Hartford, Connecticut 06103  
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JULIO MOLLEDA  
Director of Finance

February 13, 2013

Mr. Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
701 Market Street, Suite 201  
Philadelphia, PA 19106  
**Via Electronic Mail and U.S. Mail**

Dear Mr. Puerzer,

Below are the City of Hartford's responses to your draft audit report relating to the recent audit on the Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP) Grant Number 2009-RK-WX-0191 and Office of Justice Programs (OJP) Grant Numbers 2009-SB-B9-1792, 2009-DJ-BX-1463, and 2007-DJ-BX-0868 all of which were awarded to the City of Hartford.

**Recommendations (COPS):**

**Recommendation 1:** Ensure Hartford enhances its procedures to ensure it submits accurate and auditable data for future award applications.

*Response:* We concur with this recommendation. The City of Hartford has drafted a General Order which outlines the policies and procedures to be followed going forward. A copy of the draft General Order is attached.

**Recommendation 2:** Remedy the \$3,233 in unallowable fringe benefit charges to the CHRP grant.

*Response:* We do not concur with this recommendation. Worker's Compensation Expense in the amount of \$8,908.30 was charged in error to the grant and fringe benefit was calculated on that amount at a rate of 36.18% to arrive at the unallowable charge of \$3,223.08. The City has since removed the Worker's Compensation Expense of \$8,908.30 from the grant and has transferred it to its General Fund Account. A copy of the adjusting General Journal is attached. The City has also adjusted its most recent draw down request reducing it by \$3,223.08 and \$8,908.30 to account for the reduction of expenses against the grant. Accordingly, no remedy is necessary.

**Recommendation 3:** Ensure Hartford enhances its procedures for ensuring that all costs charged to the grant are allowable and fully supported.

*Response:* We concur with this recommendation. The City of Hartford has drafted a General Order which outlines the policies and procedures to be followed going forward. The City has also removed all disallowable costs from the grant.



PEDRO E. SEGARRA  
MAYOR

## CITY OF HARTFORD

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JULIO MOLLEDA  
Director of Finance

**Recommendation 4:** Ensure Hartford has a process to ensure that future grant administrators receive adequate training before assuming grant management duties.

*Response:* We concur with this recommendation. The City of Hartford has drafted a General Order which outlines the policies and procedures to be followed going forward.

**Recommendation 5:** Ensure Hartford accurately determines from its financial system the funds to be drawn down to minimize excess cash on hand and submits accurate financial reports.

*Response:* We concur with this recommendation. The City of Hartford has drafted a General Order which outlines the policies and procedures to be followed going forward. Also, all future drawn down requests will be reviewed and approved by the Finance Department before submission.

### Recommendations (OJP):

**Recommendation 6:** Ensure Hartford maintains documentation to adequately support its JAG progress reports.

*Response:* We concur with this recommendation. The City of Hartford has drafted a General Order which outlines the policies and procedures to be followed going forward.

We believe the above responses adequately address all recommendations.

Respectfully submitted,

Leigh Ann Ralls  
Acting Deputy Finance Director  
City of Hartford

Cc: Ms. Linda Taylor  
Lead Auditor  
[Linda.Taylor2@usdoj.gov](mailto:Linda.Taylor2@usdoj.gov)

Mr. Karl Bickel  
Senior Policy Analyst  
[Karl.Bickel@usdoj.gov](mailto:Karl.Bickel@usdoj.gov)

Mr. Jeffery A. Haley  
Deputy Director, Audit and Review Division  
[Jeff.Haley@usdoj.gov](mailto:Jeff.Haley@usdoj.gov)

Mr. Pedro E. Segarra  
Mayor, City of Hartford



**PEDRO E. SEGARRA**  
MAYOR

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**JULIO MOLLEDA**  
Director of Finance

Mr. James Rovella  
Chief of Police, City of Hartford

Mr. Thomas Bowley  
Fiscal Manager, Hartford Police Department

Mr. Julio Molleda  
Finance Director, City of Hartford

OFFICE OF COMMUNITY ORIENTED POLICING SERVICES  
RESPONSE TO THE DRAFT AUDIT REPORT



U.S. DEPARTMENT OF JUSTICE  
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES  
Grant Operations Directorate/Audit Liaison Division  
145 N Street, N.E., Washington, DC 20530

**COPS**

MEMORANDUM

*Via Email and U.S. Mail*

To: Thomas O. Puerzer  
Regional Audit Manager  
Office of the Inspector General  
Philadelphia Regional Audit Office

From: Karl W. Bickel *KWB*  
Senior Policy Analyst

Date: February 19, 2013

Subject: Request for closure of Audit Recommendations 1 through 5 of the Draft Audit Report dated January 25, 2013 for the Hartford Police Department, Hartford, CT, ORI # CT0064.

This memorandum serves as COPS' request for closure of Recommendations 1 through 5 as well closure of the COPS Office portion of the Draft Audit Report dated January 25, 2013 for the Hartford Police Department, regarding COPS CHRP Hiring Grant # 2009-RK-WX-0191.

**Recommendation 1- Ensure Hartford enhances its procedures to ensure it submits accurate and auditable data for future award applications.**

**Status:** *Draft*

**Discussion:** The COPS Office agrees that grantees should maintain procedures to ensure they submit accurate and auditable data for grant award applications. After reviewing your Report, COPS contacted the grantee and it was agreed that the grantee would prepare and submit for OIG review policies and procedures covering accuracy of information contained in future grant applications.

**Action Taken:** The Hartford Police Department has submitted their policy and procedure on Grant Management (copy attached).

**Request:** Based on the discussion and action taken, COPS requests closure of Recommendation 1.

**Recommendation 2- Remedy the \$3,233 in unallowable fringe benefit charges to the CHRP grant.**

**Status:** *Draft*

**Discussion:** COPS agrees that grantees should only charge allowable costs to their grants.

**Action Taken:** Worker's Compensation Expenses in the amount of \$8,908.30 were charged to the grant in error and fringe benefit was calculated on that amount at a rate of 36.18% to arrive at the unallowable charge of \$3,223.08. The city has since removed the Worker's Compensation Expense of \$8,908.30 from the grant and has transferred it to its General Fund Account. The city has also adjusted its most recent drawdown request by \$3,223.08 and \$8,908.30 to account for the reduction of expenses against the grant. A copy of the adjusting General Journal is attached.

Also attached is the grantee's most recent SF-425 and a Payment History Report dated February 14, 2013, both of which reflect a reduction in the grantees latest drawdown. The reduction in the drawdown amount does not reflect the exact amount to remedy this recommendation because more than one factor can contribute to the drawdown reduction and COPS is unable to separate them out.

**Request:** Based on the discussion and action taken, COPS requests closure of Recommendation 2.

**Recommendation 3- Ensure Hartford enhances its procedures for ensuring that all costs charged to the grant are allowable and fully supported.**

**Status:** *Draft*

**Discussion:** The COPS Office agrees grantees should have procedures that ensure that all costs charged to grants are allowable and fully supported. After reviewing your Report, COPS contacted the grantee and it was agreed that the grantee would prepare and submit for OIG review policies and procedures ensuring all costs charged to the grant are allowable and fully supported.

**Action Taken:** The Hartford Police Department has submitted their policy and procedure on Grant Management (copy attached).

**Request:** Based on the discussion and action taken, COPS requests closure of Recommendation 3.

**Recommendation 4- Ensure Hartford has a process to ensure that future grant administrators receive adequate training before assuming grant management duties.**

**Status:** *Draft*

Thomas O. Puerzer, Regional Audit Manager, OIG  
February 19, 2013  
Page 3

**Discussion:** The COPS Office agrees grantees should have a process to ensure that future grant administrators receive adequate training before assuming grant management duties. After reviewing your Report, COPS contacted the grantee and it was agreed that the grantee would prepare and submit for OIG review policies and procedures ensuring future grant administrators receive adequate training before assuming grant management duties.

**Action Taken:** The Hartford Police Department has submitted their policy and procedure on Grant Management (copy attached).

**Request:** Based on the discussion and action taken, COPS requests resolution of Recommendation 4.

**Recommendation 5- Ensure Hartford accurately determines from its financial system the funds to be drawn down to minimize excess cash on hand and submits accurate financial reports.**

**Status:** *Draft*

**Discussion:** The COPS Office agrees grantees should accurately determine funds to be drawn down to minimize excess cash on hand and should submit accurate financial reports. After reviewing your Report, COPS contacted the grantee and it was agreed that the grantee would prepare and submit for OIG review policies and procedures ensuring the financial system determines funds to be drawn down minimize excess cash on hand and submits accurate financial reports.

**Action Taken:** The Hartford Police Department has submitted their policy and procedure on Grant Management (copy attached).

**Request:** Based on the discussion and action taken, COPS requests resolution of Recommendation 5.

Based on the above discussion and action taken, COPS considers the COPS portion of the subject Draft Audit Report closed and requests written acceptance of this determination from your office. Once written acceptance of this determination is received from your office, COPS will notify the grantee.

Thank you very much. If you have any questions regarding this memorandum, please do not hesitate to contact me at (202) 514-5914 or via email at Karl.Bickel@usdoj.gov.

**Attachments:**

Letter from grantee dated 2/13/13  
Policy/procedure on Grant Management  
General Journal adjustment

Thomas O. Puerzer, Regional Audit Manager, OIG  
February 19, 2013  
Page 4

SF-425  
Payment History Report

cc: Audit Liaison Office ([ALO@usdoj.gov](mailto:ALO@usdoj.gov))

Audit File

Grant files: 2009-RK-WX-0191

ORI # CT0064

OFFICE OF JUSTICE PROGRAMS  
RESPONSE TO THE DRAFT AUDIT REPORT



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

FEB 21 2013

MEMORANDUM TO: Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General

FROM: Maureen A. Henneberg  
Director *M. Henneberg*

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of  
Community Oriented Policing Services and Office of Justice  
Programs Grants Awarded to the City of Hartford, Connecticut*

This memorandum is in response to your correspondence, dated January 25, 2013, transmitting the subject draft audit report for the City of Hartford, Connecticut (Hartford).

The draft audit report contains six recommendations and \$3,233 in questioned costs, of which one recommendation and no questioned costs are directed to the Office of Justice Programs (OJP). The five remaining recommendations and \$3,233 in questioned costs are directed to the Office of Community Oriented Policing Services. The following is OJP's analysis of the draft audit report recommendation directed to our office. For ease of review, the recommendation is restated in bold and is followed by our response.

6. **We recommend that OJP ensure that Hartford maintains documentation to adequately support its JAG progress reports.**

OJP agrees with the recommendation. In its response to the draft audit report, Hartford provided a copy of procedures developed and implemented on February 15, 2013, to ensure that documentation is maintained to support the activities included in its future progress reports for the Edward Byrne Memorial Justice Assistance Grant Program (see Attachment). OJP reviewed the procedures, and determined that they are adequate to address the recommendation. As such, the Office of Justice Programs requests closure of this recommendation.

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.

Attachment

cc: Jeffery A. Haley  
Deputy Director, Audit and Review Division  
Office of Audit, Assessment, and Management

Tracey Trautman  
Deputy Director for Programs  
Bureau of Justice Assistance

Amanda LoCicero  
Budget Analyst  
Bureau of Justice Assistance

Linda Hill-Franklin  
Grant Program Specialist  
Bureau of Justice Assistance

Marcia Samuels-Campbell  
Deputy Director, Operations  
Office of Community Oriented Policing Services

Karl Bickel  
Senior Policy Analyst  
Office of Community Oriented Policing Services

Richard P. Theis  
Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

OJP Executive Secretariat  
Control Number 20130079

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

The OIG provided a draft of this audit report to the City of Hartford (Hartford), Office of Community Oriented Policing Services (COPS), and the Office of Justice Programs (OJP) for review and comment. Hartford's response is included as Appendix III of this final report, COPS response is included as Appendix IV, and OJP's response is included as Appendix V. The following provides the OIG analysis of the responses. Based on the OIG's analysis of the responses and the documentation Hartford provided, this audit report is issued closed.

**Recommendation Number**

1. **Closed.** Hartford and COPS concurred with our recommendation to ensure Hartford enhances its procedures to ensure it submits accurate and auditable data for future award applications.

In its response and in additional documentation provided, Hartford demonstrated that it had implemented policies and procedures that, we believe, ensure accurate and auditable data for future award applications.

This recommendation is closed based on Hartford's implementation of new policies regarding award applications.

2. **Closed.** COPS concurred with our recommendation to remedy \$3,223 in unallowable fringe benefit charges to the CHRP grant.

While Hartford stated that it did not concur with our recommendation in its response, this disagreement was due to actions already taken by Hartford to close the recommendation. Specifically, Hartford reduced its most recent draw down by \$3,223 to account for the previously claimed unallowable charge.

As the questioned costs were remedied, this recommendation is closed.

3. **Closed.** Hartford and COPS concurred with our recommendation to ensure Hartford enhances its procedures for ensuring that all costs charged to the grant are allowable and fully supported.

In its response and with additional documentation, Hartford demonstrated that it had implemented policies and procedures for future grant charges and that it removed the unallowable costs from the grant.

Based on Hartford's actions, this recommendation is closed.

4. **Closed.** Hartford and COPS concurred with our recommendation to ensure future grant administrators receive adequate training before assuming grant management duties.

In its response and with additional documentation provided, Hartford demonstrated that it implemented policies and procedures, which, we believe, will ensure that grant administrators are properly trained.

This recommendation is closed based on Hartford's newly implemented policies and procedures.

5. **Closed.** Hartford and COPS concurred with our recommendation to ensure that Hartford minimizes excess cash on hand and that financial reports are accurate.

In its response and with additional documentation provided, Hartford demonstrated that it implemented policies and procedures to ensure that cash on hand is minimized and financial reports are accurate.

This recommendation is closed based on Hartford's newly implemented policies and procedures.

6. **Closed.** Hartford and OJP concurred with our recommendation to ensure Hartford maintains documentation to adequately support its JAG progress reports.

In its response and with additional documentation provided, Hartford demonstrated that it had implemented policies and procedures to ensure that documentation is maintained to adequately support its JAG progress reports.

This recommendation is closed based on the documentation Hartford provided.