



# OFFICE OF THE INSPECTOR GENERAL

## U.S. Department of Justice

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### **DOJ OIG Releases Two Reports on Allegations of Inappropriate Conduct Related to the Office of Juvenile Justice and Delinquency Prevention's Title II Part B Formula Grant Program**

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of two reports examining allegations of mismanagement and inappropriate conduct related to the Office of Juvenile Justice and Delinquency Prevention's (OJJDP) Title II Part B Formula Grant Program (the Program). OJJDP is an office within the Office of Justice Programs (OJP) that supports local and state efforts to prevent juvenile delinquency and improve the juvenile justice system through grants.

Today's reports address five allegations made by a former DOJ Office of the Inspector General (OIG) employee. The allegations were referred to the OIG in 2014 by then-Attorney General Eric Holder and included the following:

- Employees at OJJDP failed to ensure compliance with core protections of the Juvenile Justice and Delinquency Prevention Act (the Act);
- Employees at OJJDP failed to investigate that the state of Wisconsin, a Program grantee, was falsifying detention data in order to receive federal funding;
- Employees at OJJDP and OJP issued legal opinions altering long-standing policy and in contravention of law in order to enable Wisconsin to circumvent requirements in the Act;
- Juveniles who ran away from state-ordered placements were being illegally detained in secure facilities, in contravention of statutory grant conditions; and
- OIG employees obstructed fact finding in an investigation of Wisconsin for alleged grant fraud.

The first two allegations were examined by the OIG's Audit Division, while the remaining three were investigated by the OIG's Oversight and Review Division.

Today's report by the Audit Division substantiates the allegation that OJJDP failed to ensure compliance with the core protections of the Act. Among the core protections is the

Deinstitutionalization of Status Offender core protection, which is designed to ensure that juveniles who have committed “status offenses” — that is, offenses which are not criminal if committed by adults, such as running away — are not placed in secure detention or correctional facilities. However, we found that OJJDP did not routinely perform audits of states to test compliance with the Act, as required under federal regulations, nor did they have written procedures or criteria for state audit selections.

Additionally, in April 2015, the then-Assistant Attorney General for OJP testified before the U.S. Senate Judiciary Committee that OJJDP relied on outdated regulations that were inconsistent with the Act, used vague compliance standards, and had other long-standing problems. We found that as of January 2017, OJJDP was still in the process of finalizing updated policies and procedures to address these problems.

Regarding the second allegation, the Audit Division found no conclusive evidence that OJJDP managers or supervisors were aware of the allegation that Wisconsin was falsifying detention data in order to receive federal funding until the allegation was reported to the OIG in March 2008. We determined that although an OJJDP employee suspected that Wisconsin may have submitted fraudulent data as early as October 2007, that employee did not formally report the suspicions to OJJDP management. OJJDP management only became aware of the allegations after the employee reported them to the OIG.

Today’s separate report by the Oversight and Review Division concludes that the remaining whistleblower allegations were unsubstantiated, but also identifies several areas where OJP can make significant improvements in its administration of the Act. Specifically:

- We found that the legal opinions in question were not written in order to enable Wisconsin to circumvent the requirements of the Act or for any other improper purpose. Rather, we determined that OJP attorneys reached their conclusions based on a good faith legal analysis of complex statutory provisions. We also found that attorneys advised OJJDP to inform all states about the content of the legal opinions through trainings and updates to OJJDP’s Compliance Manual. Accordingly, because we did not find that the legal opinions were improper, we could not conclude that juveniles were being detained in contravention of statutory grant conditions as a result of those legal opinions.
- The areas where OJP can make significant improvements in its administration of the Act include clarifying OJP’s guidance about the Valid Court Order (VCO) exception, which permits the secure detention of juveniles who have violated a valid court order; developing a process for notifying all states and other stakeholders about significant guidance related to the Act; and considering measures to enhance communication within and among OJP components.

- We also determined that OIG managers did not obstruct or improperly interfere with an investigation of Wisconsin’s alleged grant fraud. As described in the report, the lead investigator was removed from the investigation for legitimate management reasons. She was replaced in late 2009 and the investigation continued. We concluded that OIG managers acted consistent with their obligations by supporting the investigation for 5 years and conducting it in a thorough, objective, and impartial manner. DOJ criminal prosecutors and civil attorneys eventually declined to bring criminal or civil charges against Wisconsin. In 2014, the OIG issued its final investigative report on that matter, finding that from 2001 to 2004, Wisconsin submitted inaccurate data to OJJDP that falsely showed the state to be in compliance with the Act, among other findings.

While the OIG did not corroborate the investigator’s allegations, we believe that the investigation revealed numerous problems that have plagued the Program for several years, including inefficiencies and potential disparities in the compliance monitoring, auditing, and grant approval processes; transparency issues; incomplete recordkeeping; poor internal communications; and lack of clarity and consistency in communicating compliance guidance to grantees. To further explore these issues, the OIG intends to initiate an audit of the OJJDP’s administration of the Program at an appropriate time in the future.

Today’s reports make a total of 10 recommendations to OJP to improve the management and administration of the Program. OJP agreed with all of the recommendations.

**Reports:** Today’s reports are available on the OIG’s website under “Recent Reports.” The OIG Audit Division’s report is available at the following link: <https://oig.justice.gov/reports/2017/a1731.pdf>. The OIG Oversight and Review Division’s report is available at the following link: <https://oig.justice.gov/reports/2017/o1703.pdf>.

**Podcast:** To accompany today’s reports, the OIG has released an 8-minute podcast featuring members of the Audit and the Oversight and Review teams. The podcast and a downloadable transcript are available at the following link: <https://oig.justice.gov/multimedia/podcast-07-25-17.htm#top>.