



# OFFICE OF THE INSPECTOR GENERAL

## U.S. Department of Justice

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### **DOJ OIG Releases Report on BOP Residential Reentry Center Contracts Awarded to Reynolds & Associates, Inc., Washington, D.C.**

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a report examining three Federal Bureau of Prisons (BOP) contracts awarded to Reynolds & Associates, Inc. (Reynolds) to provide residential reentry services for female offenders at its Fairview facility in Washington, D.C. The BOP's Residential Reentry Center (RRC) program seeks to transition federal inmates successfully into communities prior to their release from incarceration by providing a structured and supervised environment. Today's report focuses on the period of January 2011 through October 2017, for which BOP obligated \$11.4 million.

As described in today's report, the DOJ Office of the Inspector General (OIG) identified several concerns with the BOP's contract award procedures and oversight, and with Reynolds' performance and compliance with the contracts' requirements. The specific findings in the report released today include:

- **BOP Contract Awarding and Inspection.** We found that the BOP needs to strengthen its process to ensure that price analysis documents show that the contract prices were fair and reasonable. Additionally, we found that due to inadequate planning, the BOP awarded a bridge contract and paid about \$1 million more in the first year of this contract than it would have paid for comparable services under the preceding contract. We further found that the BOP could improve its monitoring of Reynolds' compliance with contract requirements, specifically with regard to tracking repeat deficiencies.
- **RRC Contractor Performance.** While Reynolds met a number of important RRC requirements, its Fairview facility experienced staffing challenges that contributed to recurring BOP-identified deficiencies. In addition, Reynolds could not consistently and completely demonstrate that it delivered certain resident services for which it was paid, and which were required to fulfill the RRC program goal of successfully transitioning inmates into the community.
- **Invoices and Subsistence Payments.** Reynolds generally billed the BOP at appropriate contracted rates, but it did not always adequately collect and document subsistence payments made to the RRC by employed residents, which are used to offset the BOP's costs. This led to instances of improper or inconsistent subsistence collection.

The OIG made 16 recommendations to the BOP to improve its RRC contract awarding and monitoring procedures, particularly with regard to Reynolds' Fairview RRC. The BOP agreed with all of the recommendations. Reynolds agreed with 11 recommendations and disagreed with 5.

Today's report is available on the OIG's website under "Recent Reports" and at the following link: <https://oig.justice.gov/reports/2018/a1830.pdf>.

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