



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

Office of Audit, Assessment, and Management FY 2008 Annual Report

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About This Report

The Office of Justice Programs, Office of Audit, Assessment, and Management (OAAM) prepared this report. For questions about this report, please contact Ms. Maureen Henneberg, Director of OAAM, at (202) 514-9178.

Acronyms

CFDA	Catalog of Federal Domestic Assistance
COPS Office	Office of Community Oriented Policing Services
DOJ	Department of Justice
GAT	Grant Assessment Tool
GMS	Grants Management System
GMT	Grant Monitoring Tool
GPA	Grant Progress Assessment
NIJ	National Institute of Justice
OAAM	Office of Audit, Assessment, and Management
OIG	Office of the Inspector General
OJP	Office of Justice Programs
OMB	Office of Management and Budget



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About the Office of Audit, Assessment, and Management

The Office of Audit, Assessment, and Management (OAAM) is a critical component of the Department of Justice (DOJ) Office of Justice Programs (OJP). OAAM supports grant management and oversight in OJP and the Office of Community Oriented Policing Services (COPS Office). In FY 2008, OJP provided assistance to the public safety and victims' assistance communities by awarding 3,590 grant awards totaling more than \$1.8 billion to state and local governments, public universities and colleges, tribal governments, nonprofit organizations, and for-profit organizations that agree to waive any profit or fee. The COPS Office awarded more than 1,040 grants totaling more than \$288 million.

To support the important mission of grant management and oversight, Congress established OAAM in Public Law 109-162, "Violence Against Women and Department of Justice Reauthorization Act of 2005." Since its establishment, OAAM has been working to improve and enhance programmatic oversight for OJP's grant-making components, as well as the COPS Office and the Office on Violence Against Women.

OAAM has four main responsibilities:

1. ensure financial grant compliance and auditing of OJP's internal controls to prevent waste, fraud, and abuse;
2. conduct programmatic assessments of OJP and COPS Office grant programs;
3. serve as a central source for grant management policy; and
4. oversee monitoring activities.

To accomplish its mission, OAAM is divided into three divisions.

- The Audit and Review Division conducts internal reviews of OJP processes and coordinates all activities related to OJP operations.
- The Program Assessment Division conducts assessments of grant programs and initiatives and oversees monitoring.
- The Grants Management Division creates and maintains tools, policies, and practices to support OJP staff and ensure they are managing their grants effectively.



FY 2008 Accomplishments

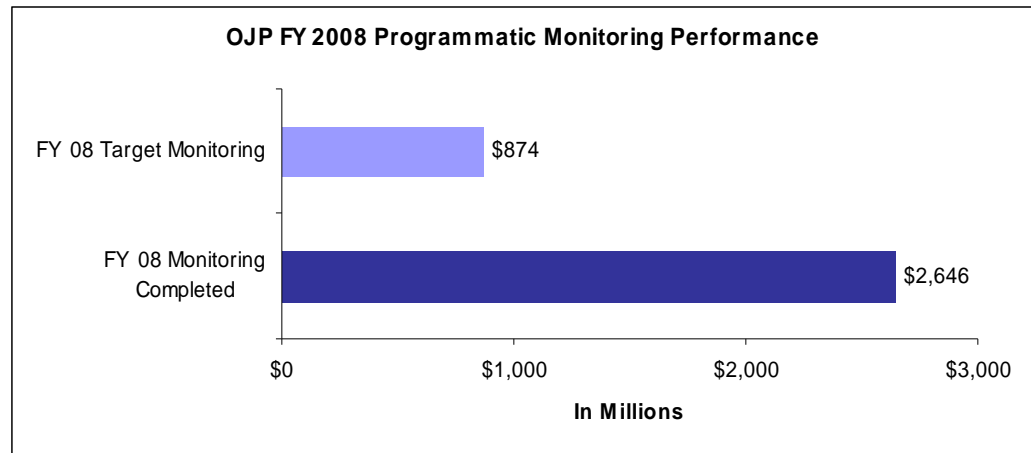
In FY 2008, OAAM's work resulted in significant improvements in grantee oversight, grant management and administration, business processes, internal controls, and audit coordination and resolution. OAAM developed and enhanced many grant tools, such as the Grants Management System, the Grant Monitoring Tool, and the Grant Assessment Tool. OAAM also performed program assessments of grants and grant programs to provide targeted, timely, and practical feedback to OJP.

Improving Grantee Oversight

OAAM is charged, in an oversight capacity, with reviewing and assessing DOJ grants and grant programs; however, direct responsibility for monitoring grantees and supporting them in carrying out their public safety programs rests with OJP bureaus and program offices, and the COPS Office. To support this effort, OAAM has developed a common grant monitoring approach applied across OJP program offices to ensure that grantees are managing funds appropriately, achieving critical programmatic objectives, and receiving the technical assistance they need to accomplish their goals. OAAM is committed to working with OJP and the COPS Office to improve the level of monitoring and quality of monitoring reports.

OAAM wrote a formal report on OJP and COPS Office monitoring efforts, documenting both the level and quality of monitoring activities of each office in FY 2007. Following the release of this report, OAAM met with each program office to discuss the report and ways to improve monitoring activities. OAAM also published a consolidated programmatic and financial grant monitoring plan for OJP and the COPS Office.

In FY 2008, OAAM tracked, reviewed, and reported quarterly on grant monitoring accomplishments across OJP and the COPS Office. OJP and the COPS Office are required to monitor 10 percent of open, active awards annually. In FY 2008, they exceeded their target by conducting programmatic monitoring site visits on 30 percent of open, active award dollars, or \$2.65 billion, as shown in the following figure. For more information about OJP and COPS Office grant monitoring in FY 2008, see OAAM's Program Assessment Report No. 09-01, "FY 2008 OJP and COPS Office Programmatic and Financial Monitoring."



As a result of the tools, procedures, and oversight OAAM provides, as well as the increased emphasis on monitoring across DOJ, most offices demonstrated improvement in the quality of their monitoring documentation from FY 2007 to FY 2008.

OAAM has also accomplished the following to improve grantee oversight.

- OAAM continued to lead the grant monitoring working group, effectively engaging members in communicating about new monitoring policies and tools, as well as promoting established monitoring best practices and standards.
- As it does each year, in FY 2008, OAAM reviewed and updated the Grant Manager’s Manual based on changes to legislation, regulations, and OJP policies that affect grant management. The updates also reflect new tools available to grant managers and advanced monitoring guidelines.
- OAAM led the development and implementation of detailed policies and procedures for referring and managing grant recipients recommended for high-risk designation, which includes a four-tier system to assist in determining actions required to bring grantees back into compliance with grant terms and conditions.
- In FY 2008, OAAM developed a conference reporting survey in response to the reporting requirement outlined in Public Law 110-161, “Consolidated Appropriations Act, 2008.” The Act requires that OJP submit data on all cooperative agreement and contract awards for any event costing more than \$20,000 or where more than 50 percent of the participants are OJP employees. OAAM’s



conference reporting survey collects the needed data for all cooperative agreements.

Grant Monitoring Tool

To address the lack of a common approach to conducting OJP site visits and to ensure that grant managers collect and analyze essential data during site visits, OAAM created the Grant Monitoring Tool (GMT) and OJP required its use beginning in FY 2008. The GMT contains instructions on pre- and post-site visit activities, as well as desk review checklists, on-site review checklists, and a site visit report template. Within each of these elements, the GMT clearly outlines the key on-site monitoring activities including the review of programmatic, administrative, and financial information.

By the third quarter of FY 2009, the GMT will be replaced with the monitoring module in the Grants Management System. However, the GMT is a useful interim tool for preparing grant managers to look at the elements of a thorough programmatic site visit. It also promotes consistency in monitoring activities and reporting across the program offices.

Grant Assessment Tool

The Grant Assessment Tool (GAT) provides a rigorous and efficient way for grant managers to determine the monitoring priority for their grants. Grant managers enter information for 15 standard criteria and up to 5 program-specific criteria. The tool then produces a quantitative score indicating the grant's monitoring priority, which grant managers can use to develop their monitoring plans. In FY 2008, more than 4,000 grants were assessed using the GAT.

In FY 2008, OAAM collaborated with offices across OJP to update and enhance the GAT. OAAM hosted feedback sessions with GAT users early in the year to identify opportunities for improvement. OAAM met weekly with the monitoring working group and collaborated with program offices on a long-term testing effort on the improved tool.

In response to this feedback, OAAM updated and enhanced the GAT to transition it from a Microsoft Excel-based tool into a Microsoft Access-based tool for use in FY 2009. The new GAT has improved usability, allows autocalculation and dynamic data storage, and incorporates manager dashboards. OAAM also updated the risk elements in the GAT, included examples and instructions for grant managers, and updated the scoring and weighting approach to derive more meaningful risk ranges.



OAAM also worked closely with Office of the Chief Information Officer to prepare for the release of the tool directly to desktops and provided individual, role-based access to users. Further, OAAM worked with COPS Office staff to help them develop a version of the GAT specific to their grant programs; the COPS Office version of the GAT was in place for grant managers to use in FY 2009.

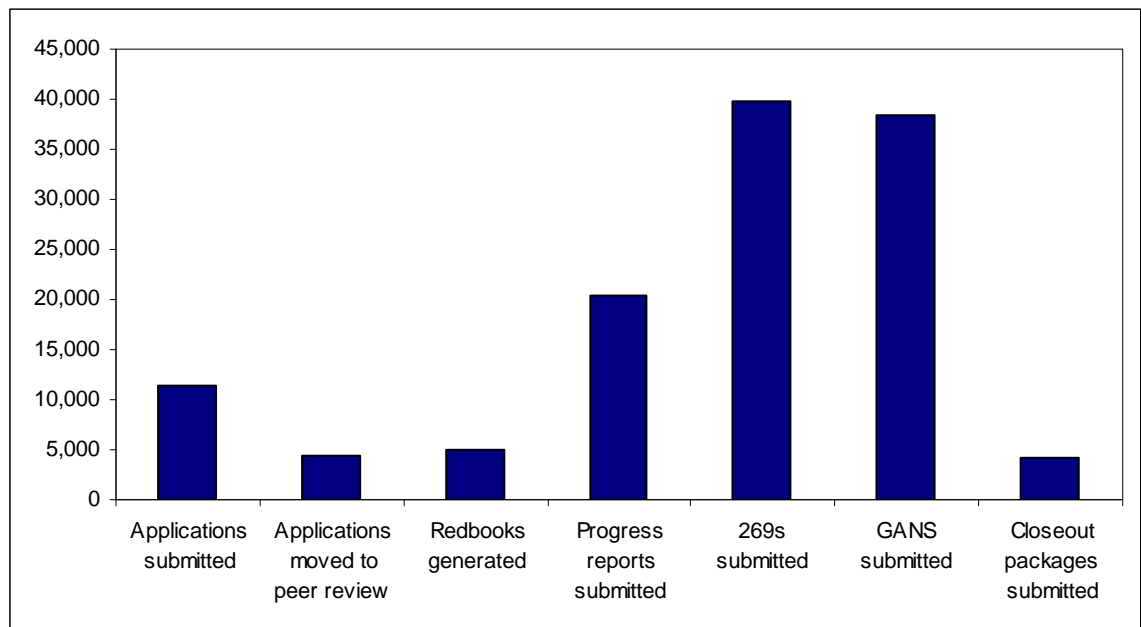
Improving Grant Management and Administration

OAAM provides program offices with policies, tools, and training to improve grant management and administration. OAAM also works on initiatives with other federal agencies to identify promising practices in grants management. OAAM has completed the following activities in support of this effort.

Grants Management System

OJP manages the Grants Management System (GMS), an end-to-end, Web-based system. The system allows grantees to search for and apply for funding opportunities with OJP. OJP is a service provider to the Office on Violence Against Women, and the Department of Homeland Security Office of Grants and Training, which both use GMS to manage their grant awards.

In FY 2008, GMS received 11,379 applications and awarded 4,875 grants.* The following figure shows the total items completed in FY 2008 for each GMS activity.



* These numbers include grant information from OJP, the Office on Violence Against Women, and the Department of Homeland Security Office of Grants and Training.



Working closely with the user community and the Office of the Chief Information Officer, OAAM identifies problems in GMS, and recommends solutions to enhance system functionality. OAAM coordinates the design and deployment of GMS modules. OAAM accomplished the following GMS adaptive maintenance activities in FY 2008.

Closeout Module

OAAM deployed an enhancement to the GMS closeout module in February 2008. The enhancement automatically generates closeout packages and freezes remaining grant funds 91 days after the end date of the grant. This enhancement streamlined the process and improved the timeliness of closing out grants. It also ensures that grantees cannot continue drawing down funds after the grant period has ended. In FY 2008, grants were closed on average 156 days after the end date of the grant.

Financial Reporting Module

OAAM integrated the Web-based grantee financial reporting system into GMS so that grant recipients can submit both financial and progress reports in one system, reducing grantee burden and ensuring that official documents are maintained in the GMS grant file.

Peer Review Module

OAAM launched an enhanced peer review module in GMS. This module consolidated all peer review comments and scores in one place for the first time in OJP. In FY 2008, OJP peer reviewed approximately 4,800 applications and captured all of the peer review data in GMS.

Monitoring Module

OAAM completed a functional requirements document for adaptive maintenance to OJP's monitoring module. To develop the functional requirements document and to encourage stakeholder collaboration, OAAM conducted 11 meetings with the Monitoring Working Group, consisting of members from OJP program offices, the COPS Office, and the Office of the Chief Financial Officer. The module will provide documentation workflow, date stamp activities performed in the system, improve compliance with monitoring documentation requirements and deadlines, enhance the grant manager's ability to track findings, and encourage grant managers to follow up with grantees through execution of corrective action plans, when appropriate.



Peer Review Management

In FY 2008, OJP consolidated the peer review process. OAAM is responsible for overseeing the consolidated contract for OJP's peer review management services. The consolidated contract ensures peer reviews are conducted in a consistent and transparent manner across program offices. In July 2008, OAAM issued an accompanying OJP-wide peer review policy order and a procedures document that further support the goals of improving the peer review process. For example, to increase the transparency of the grant selection process, the new policy requires that program offices fully document all grant award decisions that vary from peer reviewers' recommendations, including the reasons why such a decision was made.

Training

OAAM provides grant managers and grantees with customized, intensive training to ensure grant policies are widely communicated and available tools are used effectively. In FY 2008, training was provided on the following.

Accountability for Federal Grants

OAAM sponsored a training session for nearly 40 OJP grant managers on "Accountability for Federal Grants: Planning, Measuring, and Reporting Grant Performance" focusing on developing measurable objectives; assessing grantee progress toward achieving targets; and developing a technical assistance plan for improving performance.

Effective Grant Monitoring Practices

OAAM conducted follow-up training on effective grant monitoring practices for more than 200 grant managers. The training also covered the use of the OJP-wide Grant Monitoring Tool.

Post Award Grant Management

OAAM sponsored training for 156 grant managers on "Post Award Grant Management." The course focused on the grant manager's role in approving changes to grants, reviewing progress reports and financial reports, monitoring grants, and closing grants.

Grant Assessment Tool

OAAM trained more than 100 people in using the Grant Assessment Tool. The training provided an overview and demonstration of the enhancements to the tool for FY 2009, and prepared participants to correctly and effectively use the updated tool.



Cooperative Agreements and Substantial Involvement

OAAM sponsored training for 29 people on cooperative agreements and substantial involvement, covering topics such as identifying agency activities that constitute substantial involvement; determining whether a cooperative agreement award includes all required elements; and exploring liability issues and understanding the appropriate limits on substantial involvement.

Interagency Collaboration

OAAM works closely with other agencies in the federal government on initiatives to streamline grants management and identify promising practices among the grant-making agencies. OAAM is involved in government-wide solutions to grants management that will benefit the grantee community by providing improved access and customer service. OAAM interagency collaboration efforts include the following.

- OAAM shares its Grants Management System with agencies outside of OJP, including the Department of Homeland Security and the Office on Violence Against Women.
- OAAM is an active participant of U.S. Chief Financial Officer Grant Policy Committee, which is responsible for formulating overall grant management reform policy and overseeing the efforts of the interagency work groups.
- OAAM is an active participant on the Office of Management and Budget (OMB) Grants Executive Board, which provides strategic direction and oversight of electronic government. The Grants Executive Board also ensures consensus among federal grant partner agencies on projects and funding.
- In FY 2008, 100 percent of OJP's discretionary opportunities were posted on Grants.gov, which was developed as part of an E-Government initiative to provide a single place for the public to find and apply for federal grant opportunities. Of the 11,379 applications received in the Grants Management System, 6,366 were submitted through Grants.gov.
- To help OJP comply with the "Federal Funding Accountability and Transparency Act of 2006," OAAM developed standard operating procedures, used by the Office of the Chief Information Officer to submit grant data monthly to USASpending.gov. The web site provides transparency on how public tax dollars are spent.



Improving Business Processes and Internal Controls

OAAM reviews internal controls and facilitates OJP-wide business process improvement initiatives. The goal of these reviews and initiatives is to provide common processes; strengthen internal controls; improve internal and external customer satisfaction; and prevent and detect fraud, waste, and abuse. This year, OAAM completed the following activities to improve grants management, financial management, information technology, and performance measures.

- OAAM conducted internal reviews of OJP processes and made recommendations to enhance and strengthen internal controls as required by OMB Circular A-123, “Management’s Responsibility for Internal Control.” As a result, the independent financial auditors closed all prior-year deficiencies and weaknesses related to information technology.
- As required by OMB Circular A-123, OAAM reviewed OJP’s significant financial management, grants management, and information technology business processes. The reviews resulted in 41 recommendations that will improve controls in a variety of areas. For example, the recommendations address areas such as financial reporting, site visit letters, grant closeouts, conference expenses, transit subsidies, information technology security, and system configuration and maintenance. OAAM’s OMB Circular A-123 process is viewed as a best practice in DOJ.
- OAAM worked on a business process improvement initiative, through a working group of OJP staff, to improve performance measurement policies and procedures. In FY 2009, OJP plans to address the recommendations of the group, which will likely include the procedures for developing standard performance measures and verifying data, an OJP-wide catalogue of performance measures, and an enhanced performance measurement data collection tool.
- OAAM reviewed OJP’s use of the Catalog of Federal Domestic Assistance (CFDA) numbers. Findings included that the CFDA management is inconsistent across OJP, and GMS does not display multiple CFDA numbers and titles when multiple funding sources are used. In response to OAAM’s recommendations, in FY 2009, OJP plans to release a spreadsheet linking all of the CFDA numbers to OJP funding streams, and OJP will add the ability to select multiple CFDA numbers in GMS.



- In coordination with the Office of the Chief Information Officer, OAAM implemented an earmark tracking tool to allow greater transparency into the award process for earmark grants. The tool collected information on more than 800 earmarks processed last year.
- OAAM began reviewing the use of the Office of the Chief Information Officer's site visit and audit module in GMS. OAAM will report its findings and recommendations by the end of the second quarter in FY 2009.

Streamlining Audit Coordination and Resolution

OAAM works closely with the Department of Justice Office of the Inspector General (OIG), the Government Accountability Office, and other agencies to coordinate all activities related to audits of OJP operations and OJP and OVW grants. This year, OAAM became the single point of contact for audit coordination activities with the OIG. We also transitioned resolution and coordination of Single audits from the Office of the Chief Financial Officer to OAAM. In this capacity, OAAM closed 159 Single and OIG grant audit reports, which included 444 recommendations and \$18.4 million in questioned costs to various DOJ grant recipients.

Overseeing Grant Programs

In FY 2008, OAAM implemented the program assessment function to examine and report on the compliance and performance of OJP grant recipients and grant program management. The assessments provide targeted and timely information on program performance to identify successes and opportunities for improvement. OAAM makes recommendations and works with offices to resolve identified issues.

Review of the National Institute of Justice Grant Progress Assessment Program

OAAM completed a review of the National Institute of Justice (NIJ) Grant Progress Assessment (GPA) program. The GPA program, which began in FY 2005, aims to strengthen NIJ program management and oversight by assessing grantee progress, challenges, and the impact of funding; reviewing documentation; and identifying model programs.

OAAM reviewed the program to determine whether it was meeting its stated program objectives and effectively measuring grantee compliance and performance for the following NIJ programs: Convicted Offender and/or Arrestee DNA Backlog Reduction Program, Forensic DNA Backlog Reduction Program, Forensic DNA Capacity Enhancement Program, Solving Cold Cases with DNA, and Paul Coverdell Forensic Science Improvement.



OAAM found several opportunities to improve the GPA assessments and made seven recommendations, which included opportunities to streamline processes, improve oversight, and eliminate conflicts of interest. Management from the National Institute of Justice agreed to the finding and all recommendations, and they are in the process of implementing the recommendations.

Review of the Bureau of Justice Assistance Prescription Drug Monitoring Program

OAAM completed a review of Bureau of Justice Assistance Prescription Drug Monitoring Program. The primary purpose of the program is to enhance the capacity of regulatory and law enforcement agencies to collect and analyze controlled substance prescription data through a centralized database administered by an authorized state agency.

OAAM reviewed grantee compliance and grant oversight, and analyzed grant performance to determine whether the programs were meeting the goals and objectives of the Prescription Drug Monitoring Program. The review focused on performance measurement, grant funding categories, and peer review. The Bureau of Justice Assistance agreed with the findings and is working to implement the report's nine recommendations, which will enhance management's ability to document and analyze grantee performance.