



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



Audit of the Department of Justice's Conference Planning and Reporting Requirements

AUDIT OF THE DEPARTMENT OF JUSTICE'S CONFERENCE PLANNING AND REPORTING REQUIREMENTS

EXECUTIVE SUMMARY

In September 2007 and October 2011, the Department of Justice (Department or DOJ) Office of the Inspector General (OIG) issued audits of major, high-dollar conferences sponsored by several different DOJ components.¹ Both audits found a lack of internal controls needed to prevent excessive conference costs. Following these reviews, DOJ implemented new conference approval and reporting procedures. In June 2012, the Justice Management Division, which collects and reports DOJ conference costs, issued DOJ Policy Statement 1400.01 (Policy), establishing strict conference cost limits and approval thresholds. On March 5, 2013, shortly after the Office of Management and Budget directed across-the-board reductions in federal government spending through a process known as sequestration, the Deputy Attorney General (DAG) issued a memorandum (DAG Memorandum) instructing DOJ components, during the period of sequestration, to postpone or scale back conferences that were: (1) not necessary to maintain mission-critical operations or (2) already approved and postponement would not result in a significant financial penalty.

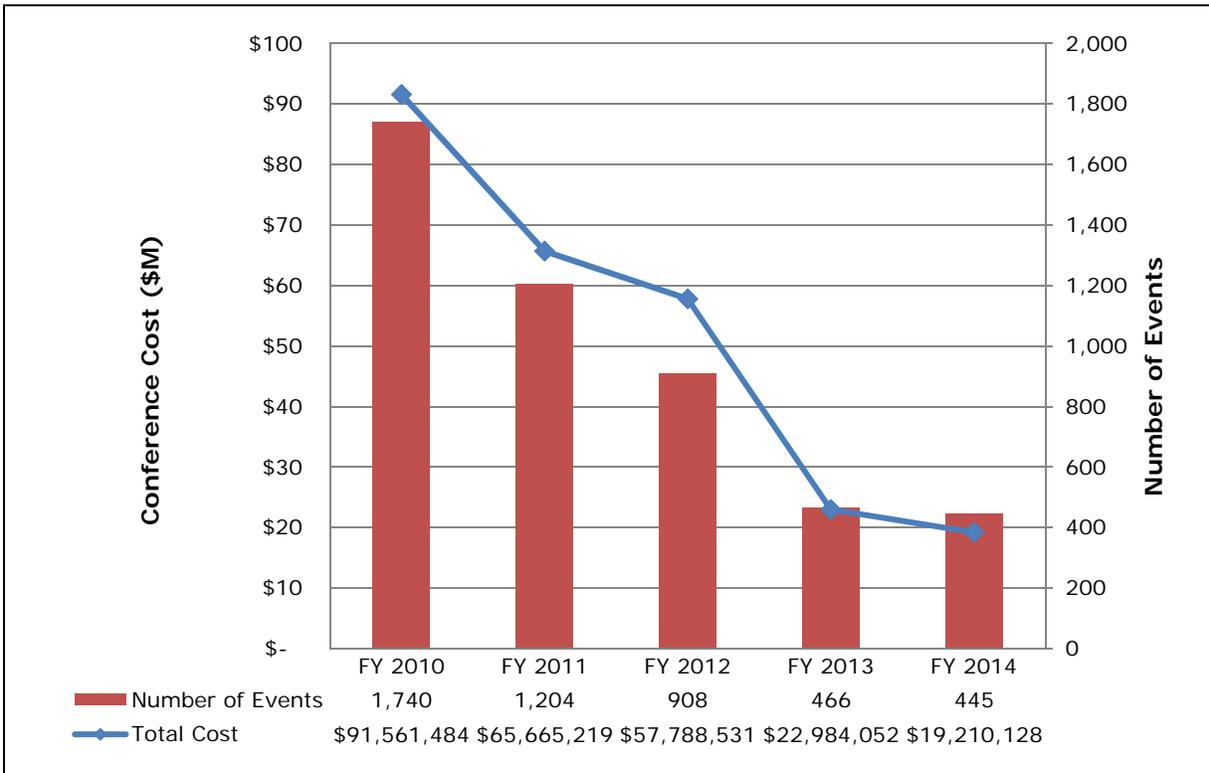
The objectives of this audit were to: (1) determine whether DOJ components complied with established conference planning policies and (2) review actions the components took to implement the March 5, 2013 DAG Memorandum. To ensure component leadership had adequate time to implement the DAG Memorandum, our audit scope comprised a universe of 160 events, which cost a total of almost \$7 million, that components reported took place between June and September 2013. We further concentrated our review on the conference activity supported by four components – the Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), the Drug Enforcement Administration (DEA), and the Federal Bureau of Investigation (FBI) – because they collectively reported funding 149 of the 160 events (93 percent), which accounted for 95 percent of the total reported conference costs during this time.

As shown in Figure 1, between fiscal years (FY) 2010 and 2014, reported DOJ conference costs fell by about \$72 million, from almost \$92 million in FY 2010 to less than \$20 million in FY 2014.² Similarly, the number of events sponsored by DOJ components dropped from 1,740 events in FY 2010 to 445 events in FY 2014.

¹ U.S. Department of Justice Office of the Inspector General, *Department of Justice Conference Expenditures*, Audit Report 07-42 (September 2007) and *Audit of Department of Justice Conference Planning and Food and Beverage Costs (Revised Version)*, Audit Report 11-43 (October 2011).

² Reported conference costs include events that cost more than \$20,000 each or are held in non-federal facilities.

Figure 1
DOJ Conference Activity, FYs 2010 through 2014



Source: JMD Conference Cost Reports

With regard to internal DOJ conference planning and reporting policy compliance, we identified several instances in which actual reported costs of a conference exceeded various DOJ conference cost thresholds. In many of these cases, the hosting component either: (1) requested pre-conference approval from JMD, as required by the policy, to exceed the thresholds, or (2) reported and justified post-event actual costs that differed from the estimated costs and attendance figures used for planning the conference. However, we found OJP did not provide post-event justifications for several events that ultimately exceeded per-person cost thresholds when reporting actual costs. We also identified instances when components did not report actual conference costs after the event, usually because final costs for events held near the end of the fiscal year were unavailable when DOJ issued its annual conference cost report. We found the FBI's conference approval and tracking approach to be a best practice because it permits the agency to compile data on all conference-related costs and not just events that cost over \$20,000, and therefore are included on DOJ conference cost reports.

We also found that the four reviewed components took actions consistent with the DAG memorandum, including postponing or canceling conferences. Three of the four reviewed components – the FBI, DEA, and OJP – reported significant reductions in FYs 2013 and 2014 compared to FY 2012. In contrast, the OVW reported that it held more events and spent more funds in FYs 2013 and 2014 than

it did in FY 2012. Specifically, the OVW reported spending \$2.7 million on 48 conferences in FY 2012, \$3.4 million on 74 conferences in FY 2013, and nearly \$3.9 million on 95 conferences in FY 2014. OVW officials attributed the cause of the increase to additional legislative mandates and the inclusion of indirect costs in its reports to JMD starting in June 2012.

This report provides five recommendations to help DOJ components improve their tracking and reporting of conference costs and comply with established DOJ conference cost limits and thresholds.

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AUDIT OF THE DEPARTMENT OF JUSTICE'S CONFERENCE PLANNING AND REPORTING REQUIREMENTS

INTRODUCTION

Department of Justice (Department or DOJ) components host conferences and permit employees to participate in such events as they offer an efficient forum for training and collaborating with domestic and foreign law enforcement partners.³ Past DOJ conferences have addressed many different law enforcement-related issues, such as gang resistance initiatives, investigative techniques, domestic violence prevention or response, and international illegal drug interdiction efforts.

In September 2007 and October 2011, the Department of Justice Office of the Inspector General (OIG) issued audits of major, high-dollar conferences sponsored by several different DOJ components.⁴ Both audits found a lack of internal controls to prevent excessive conference costs. Following these reviews, DOJ implemented new conference approval and reporting procedures. In June 2012, the Assistant Attorney General for Administration issued DOJ Policy Statement 1400.01 (Policy) that established specific conference cost limits and approval thresholds.⁵

On March 1, 2013, the Office of Management and Budget implemented sequestration, which necessitated across-the-board reductions in federal government spending. On March 5, 2013, the Deputy Attorney General (DAG) issued a memorandum (DAG Memorandum) to DOJ component heads regarding sequestration, requiring in part that they postpone or scale back planned conferences during the period of sequestration unless the event was necessary to maintain mission-critical operations or the event was already approved and postponement would result in a significant financial penalty. The DAG Memorandum called for continued use of video conferencing to keep conference costs to a bare minimum and limited employee attendance to only those with a critical need to participate in an event.

Status of DOJ Conference Expenditures

As shown in the figure below, according to conference cost reports compiled by the Justice Management Division (JMD), DOJ spending on conferences that

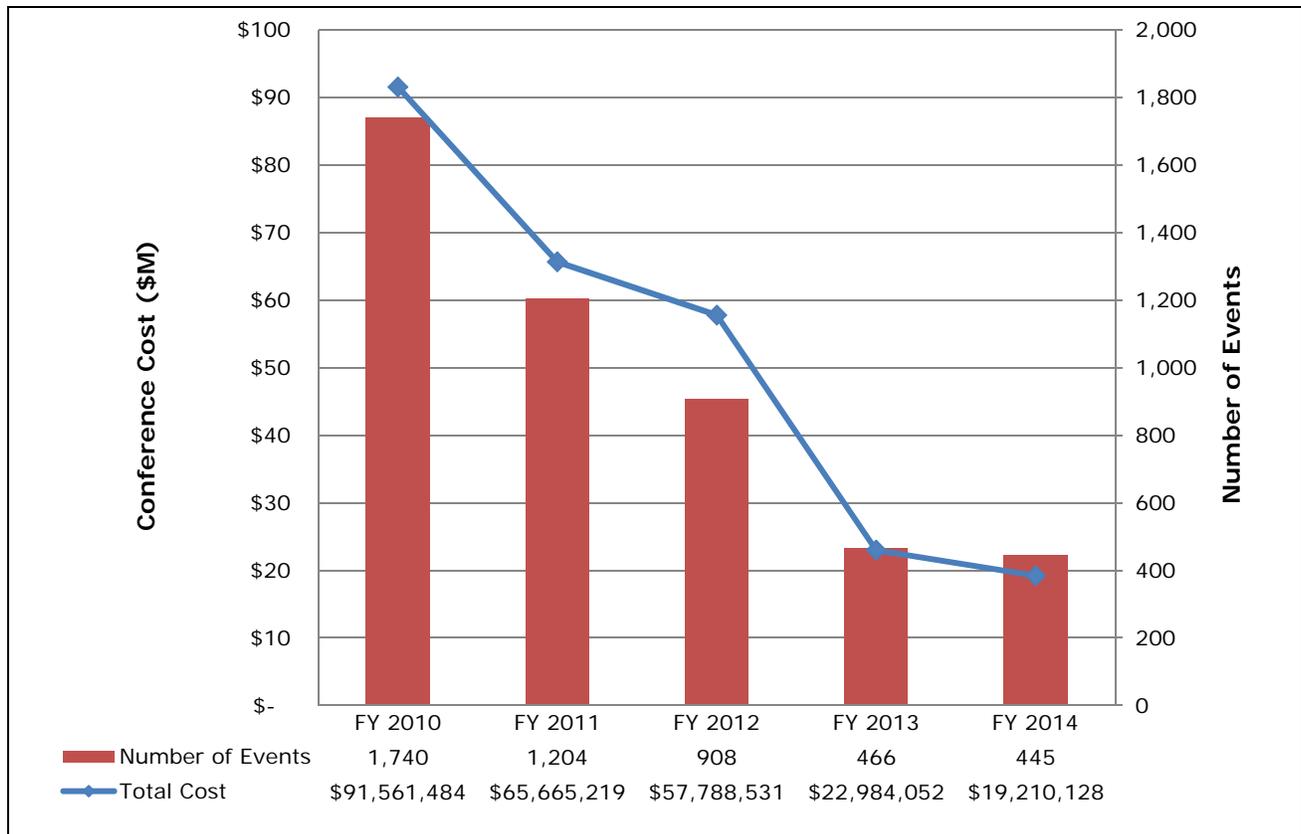
³ DOJ defines a conference to exclude training courses held at federal training centers and other facilities, routine operational meetings, testing activities, award ceremonies, meetings for law enforcement operations and prosecutions, and conferences held by federal grantees (emphasis added).

⁴ U.S. Department of Justice, Office of the Inspector General, *Department of Justice Conference Expenditures*, Audit Report 07-42 (September 2007) and *Department of Justice Conference Planning and Food and Beverage Costs*, Audit Report 11-43 (October 2011).

⁵ The Assistant Attorney General for Administration is the head of the Justice Management Division (JMD).

(1) cost \$20,000 or more or (2) were held in non-federal facilities dropped from almost \$92 million in fiscal year (FY) 2010 to less than \$20 million in FY 2014, constituting a reduction in costs of nearly 80 percent. Similarly, the number of DOJ sponsored and attended conferences that cost \$20,000 or more or held in non-federal facilities dropped 74 percent between FYs 2010 and 2014, from 1,740 events to 445 events.

Figure 2
DOJ Conference Activity, FYs 2010 through 2014



Source: JMD Conference Cost Reports

OIG Audit Approach and Objectives

The objectives of this audit were to: (1) determine whether DOJ components complied with established conference planning policies and (2) review actions the components took to implement the March 5, 2013 DAG Memorandum, which required postponing or scaling back planned conferences that were not necessary to maintain core, mission-critical operations, unless the event was already approved and postponement would result in a significant financial penalty. To ensure component leadership had adequate time to implement the DAG Memorandum, our audit focused on a universe of events that components reported took place between June and September 2013.

Four DOJ components – the Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), the Drug Enforcement Administration (DEA), and

the Federal Bureau of Investigation (FBI) – hosted 149 of the 160 (93 percent) events that occurred during this time. In addition, the 149 events cost nearly \$7 million, which constituted 95 percent of the total amount DOJ spent on conferences during this time. We consequently decided to concentrate this review on these four components, as they represent the overwhelming majority of conferences held and conference dollars spent by DOJ between June and September 2013.

To assess the components' efforts to implement the March 5, 2013 DAG Memorandum, we reviewed component-level policies and programmatic efforts to limit conference spending that were implemented after the date of the memorandum. We also compared annual reports of conference events and costs for the FBI, DEA, OJP, and OVW from FY 2012, the year before the DAG Memorandum was issued, to reports of events and costs for FY 2014, the year after such rules and efforts went into effect.

FINDINGS AND RECOMMENDATIONS

We identified several instances in which reported conference costs exceeded various DOJ conference cost thresholds. In many of these cases, the hosting component either received the required pre-conference approval from JMD to exceed such thresholds, or reported and justified the reasons post-event actual costs exceeded established limits. However, OJP did not provide post-event justifications for several events that ultimately exceeded per-person cost thresholds when reporting actual costs. We also found examples in which components did not report actual conference costs after the event, usually because final costs for events held near the end of the fiscal year were unavailable when DOJ issued its annual conference cost report. We found that the FBI, DEA, OJP, and OVW each took actions consistent with the DAG Memorandum, such as scaling back, postponing, or canceling conferences. Three of the four reviewed components – the FBI, DEA, and OJP – reported significant reductions in conference activity and spending in FYs 2013 and 2014 compared to FY 2012.

DOJ Conference Cost Limits and Approvals

DOJ Policy Statement 1400.01 establishes specific conference planning, approving, and reporting requirements, including overall and specific cost category thresholds for conferences that require DOJ or component leadership approval, and limits food and beverage expenses for conferences to working meals that make the event more efficient. Table 1 outlines the specific Policy-approval requirements for exceeding different cost thresholds.

Table 1
DOJ Conference Expense Limits and Thresholds
Fiscal Years 2013 and 2014

Cost Threshold	Requires Approval By
Event costs \$100,000 or less	Component-head
Event costs more than \$100,000 but less than \$500,000	Deputy Attorney General
Event costs \$500,000 or more	Attorney General
Logistical conference planning costs exceeding \$50 per attendee or a total of \$8,750 overall*	Assistant Attorney General for Administration
Programmatic conference planning costs exceeding \$200 per attendee or a total of \$35,000 overall	Assistant Attorney General for Administration
Meeting room space and audiovisual equipment rental costs exceeding \$25 a day per attendee or \$20,000 overall	Assistant Attorney General for Administration
Refreshments and non-working meal costs	Assistant Attorney General for Administration

Note: *Logistical* conference planners perform the logistical planning necessary to hold a conference, which may include recommending venues, advertising, setting the stage and audiovisual (A/V) equipment, securing hotel rooms, interacting with caterers, and other non-programmatic functions.

Programmatic conference planners develop the conference agenda, content, and written materials. They may also identify and/or provide appropriate subject matter experts and conference participants.

Source: DOJ Policy Statement 1400.01 (June 2012)

The Policy requires JMD approval for pre-event, cost projections that exceed either a set category total or per-person thresholds. After events occur, the Policy also requires the hosting component to report the actual overall cost and list the actual amounts spent by different cost categories. Whenever actual expenses for any of these categories exceed a threshold, the Policy's reporting framework requires that the component sponsoring such a conference provide a justification for the excessive costs when reporting actual costs to JMD after an event.

We identified specific examples when components reported estimated conference costs instead of actual costs. Out of the 466 events reported for FY 2013, 27 events (6 percent) listed estimated costs. We followed up with JMD regarding why these events listed estimates. JMD officials told us that, in the interest of transparency and in meeting reporting deadlines, they instructed components to report estimated costs when actual costs are not yet available by the date conference cost reports are due. JMD officials also told us they follow up with components to obtain actual costs and, in most cases, ultimately receive them. However, JMD does not re-issue the cost reports because it has determined that the differences between actual and estimated costs are not material.

We examined whether the FBI, DEA, OJP and OVW, complied with these cost thresholds and approval requirements for events that took place between June and

September 2013. As discussed below, while these components generally complied with these requirements, we identified specific instances where anticipated costs were not accurate for a variety of reasons, resulting in conferences that had actual costs that exceeded cost approval thresholds for rental of space, audiovisual equipment, and planning.

Federal Bureau of Investigation

The FBI reported that it held 11 events, including one event outside the United States, between June and September 2013. As shown in Table 2, the most expensive of these events was the *Regional National Improvised Explosives Familiarization Conference* held in Milwaukee, Wisconsin, which cost \$36,464.

Table 2
FBI Conferences, June to September 2013

Event Title	Location	Dates	Reported Cost (\$)
Interview and Interrogation	Jericho, Jordan	06/03/13 - 06/13/13	35,475
Electronic Surveillance Class ^a	Florida	06/03/13 - 06/13/13	32,848
Regional National Improvised Explosives Familiarization	Milwaukee, Wisconsin	07/08/13 - 07/12/13	36,464
Automotive Technician Training	Hollywood, Florida	07/16/13 - 07/18/13	12,792
Electronic Surveillance Class ^a	Florida	07/15/13 - 07/25/13	32,505
Electronic Surveillance Class ^a	Florida	07/29/13 - 08/08/13	35,199
Automotive Technician Training	Kansas City, Missouri	08/13/13 - 08/15/13	13,026
Electronic Surveillance Class ^a	Florida	08/12/13 - 08/22/13	32,156
Scientific Working Group on Digital Evidence	San Antonio, Texas	09/09/13 - 09/12/13	32,771
Electronic Surveillance Class ^a	Florida	09/09/13 - 09/19/13	29,858
Advanced National Improvised Explosives Familiarization	Newark, Maryland	09/17/13 - 09/19/13	26,738
Total			\$319,832

^a The FBI considers the specific name and the location of these events to be sensitive, so we consequently withheld this information.

Source: JMD

The FBI told us that it forwarded to the Department any event it believed might exceed established cost limits. We obtained the documents that the FBI maintained for these 11 conferences and found that all events complied with the overall per conference cost limit for logistical and programmatic planning costs (\$8,750 and \$35,000, respectively) as well as for rental of space and audiovisual charges (\$20,000). However, all five electronic surveillance training sessions exceeded the space and audiovisual per-person cost limit of \$25 per-person per day. These classes were held at the vendor's facility in Florida. We determined that this cost category exceeded cost limits because of the need to use and pay for specialized equipment during the class and that the FBI obtained blanket approval from JMD to exceed these cost limits.

We also reviewed documents to determine whether the FBI split what could be one event into several events in order to stay under reporting thresholds, or whether consolidating conferences on the same subject matter would have reduced administrative costs. We found no evidence that the FBI intentionally split conferences or could have consolidated conferences to reduce administrative costs.

The FBI implemented procedures pertaining to conference data collection, approvals, and reporting that supplement DOJ Statement Policy 1400.01. For example, the FBI Training Division's Logistics Management Unit reviews all FBI event requests, verifies the estimated costs with the event point of contact, and makes modifications as appropriate. The FBI has also established a system to track all conference-related costs and uses this system to compile quarterly conference reports that list actual costs and not estimates. We concluded that the FBI's conference approval and tracking approach is a best practice since it permits the agency to compile data on all conference-related costs and not just those reportable events costing over \$20,000.

Drug Enforcement Administration

DEA reported that it held, sponsored, or attended 19 conferences between June and September 2013. These events all provided tactical, operational, and regulatory training to employees, international partner agencies, or prescribers of controlled substance pharmaceuticals.

We discussed with DEA officials the process by which DEA conducts conference planning. The DEA Office of Acquisition and Relocation Management (Acquisition Office) is responsible for reviewing internal DEA event requests. The requesting program office provides the Acquisition Office with the estimated costs for the event, and Acquisition Office officials review the request. After the event, the program office provides the Acquisition Office with the actual costs. The Acquisition Office reviews the actual costs to ensure costs were within established thresholds. In addition, the DEA Office of Finance must review travel vouchers to ensure compliance with agency and government-wide policies.

We obtained and reviewed DEA conference documents for compliance with DOJ cost limits and approval thresholds. Of the 19 DEA conferences in our scope, 11 took place in foreign countries. Nearly all of the conferences DEA held in international locations occurred because the events were part of and paid for by the U.S. Departments of State and Defense and focused on providing narcotic trafficking interdiction training to foreign law enforcement agencies. Table 3 provides a listing of DEA conferences reviewed.

Table 3
DEA Conferences, June to September 2013

Event Title	Location	Dates	Reported Cost (\$)
International Drug Enforcement Conference	Moscow, Russia	06/04/13 - 06/06/13	650,074
Basic Drug Enforcement ^a	South America	06/10/13 - 06/14/13	22,866
Pharmacy Diversion Awareness	Chicago, Illinois	06/22/13 - 06/23/13	32,124
Pharmacy Diversion Awareness	Portland, Oregon	07/13/13 - 07/14/13	35,559
Precursor Chemical Control Investigations Course ^a	South America	07/22/13 - 07/26/13	35,828
Sensitive Investigative Unit Advanced Training	Punta Cana, Dominican Republic	08/03/13 - 08/16/13	317,411
Foreign Orientation Program	Arlington, Virginia	08/05/13 - 08/08/13	65,933
Clandestine Laboratory Investigators Course ^a	East Asia	08/05/13 - 08/09/13	41,672
2013 Registration Program Specialist Conference	Arlington, Virginia	08/14/13 - 08/15/13	61,888
Pharmacy Diversion Awareness	San Diego, California	08/16/13 - 08/17/13	38,266
Pharmacy Diversion Awareness	San Francisco, California	08/18/13 - 08/19/13	47,323
Chemical Diversion Seminar West African Regional Training ^a	West Africa	08/19/13 - 08/23/13	23,978
Drug Enforcement Intelligence Analyst Training ^a	Southern Africa	08/19/13 - 08/23/13	49,273
West Africa Precursor Chemical Control Training ^a	West Africa	08/20/13 - 08/22/13	145,711
Formal Vetted Unit Basic Training Course ^a	East Africa	09/09/13 - 09/27/13	69,290
Basic Drug Enforcement ^a	North Africa	09/16/13 - 09/20/13	24,509
Pharmacy Diversion Awareness	Boston, Massachusetts	09/21/13 - 09/22/13	48,154
DEA Basic Clandestine Laboratory Investigations ^a	Central Asia	09/23/13 - 09/27/13	41,857
State and Local Clan Lab Site Safety School #70	Bell Buckle, Tennessee	09/24/13 - 09/26/13	39,308
Total			\$1,791,024

^a DEA considers the specific location of these events to be sensitive, so we consequently withheld this information.

Source: JMD

The most expensive DEA event was the *International Drug Enforcement Conference* (IDEC) held in Moscow, Russia at a reported cost of \$650,074. DEA hosts an IDEC each year, and DEA officials stated that the event serves as the centerpiece of its foreign drug interdiction and law enforcement coordination efforts. As required by DOJ Policy Statement 1400.01, due to its projected cost over \$500,000, DEA requested and received a waiver from the Attorney General to host the IDEC in Moscow for 363 attendees. DEA also included an additional approval request for meeting space and audiovisual charges above \$20,000. The Attorney General and the Assistant Attorney General for Administration approved these requests.

We also examined planning documents to determine if DEA split or separated conferences to stay under reporting thresholds. Based on our review, DEA did not split conferences to stay under reporting thresholds.

However, we found that for its Sensitive Investigation Unit Advanced Training in Punta Cana, Dominican Republic, DEA reported to the Department estimated costs of \$317,411, rather than actual costs, as required. DEA officials said they only reported estimated costs because the individual responsible for providing cost figures for this specific event had retired and attendee travel costs were not available by the time the report was due to JMD. As such, we could not ascertain whether this conference exceeded specific cost category thresholds. However, we do note that DEA subsequently updated its reporting controls to require that attendees include a distinct event code on travel vouchers. Using this code, DEA states its financial system can now obtain, consolidate, and generate reports of travel costs associated with a particular event. We therefore make no recommendation regarding DEA providing only estimated costs for this one event.

Other DEA conferences we reviewed included five Pharmacy Division Awareness courses held in locations around the country to educate pharmacists, pharmacy technicians, and pharmacy-loss prevention personnel on ways to address and respond to potential prescription drug diversion efforts. DEA stated that fees paid by registrants entirely funded these conferences. We found that of these five Pharmacy Division Awareness conferences, four exceeded the per-person, per-day conference space and audiovisual cost limits while three exceeded the overall \$20,000 limit for conference space and audiovisuals. DEA properly obtained prior authorization for these conferences from JMD. DEA officials explained to us that these conferences were held on weekends to maximize attendance by pharmacy personnel; as a result, these events incurred weekend rate premium pricing for meeting space.

Overall, we found all DEA events we could review complied with the cost limit and approval thresholds of DOJ Policy Statement 1400.01 for logistical and programmatic planning and for conference space and audiovisual equipment rental.

Office of Justice Programs

Through cooperative agreements and contracts, OJP funded conferences designed to address numerous crime-related challenges confronting the justice system, including juvenile delinquency, gang violence, human trafficking, and scientific and technical applications to law enforcement.

OJP officials used a web-based conference review and approval process to ensure OJP-supported conferences were necessary to fulfill its mission. Whenever program managers added a conference request to the site, analysts reviewed the entry to determine the appropriate level of approval it should receive based on the anticipated costs of the event and included cost category-threshold information. The OJP program office then reviewed conference requests and submitted these requests to OJP's Office of the Chief Financial Officer (OCFO). If component head

approval was required under DOJ Policy Statement 1400.01, the OCFO sent the request to OJP leadership, and then to JMD, if necessary.

Further, OJP officials told us once a conference request passed the prerequisite levels of review and approval, the OCFO sent an e-mail to the OJP program office instructing the cooperative agreement recipient or contractor to submit back to OJP actual conference costs for reporting purposes. Once OJP received conference actual costs, OJP personnel uploaded the data to the site for further review, analysis, and quarterly conference reporting purposes.

OJP reported that its awardees hosted or supported 91 conferences held between June and September 2013 at a total cost of \$3,583,429. The most costly event, at \$119,916, was training OJP funded under the *National Prison Rape Elimination Act*. Our review of reported costs indicated that 15 conferences exceeded DOJ cost thresholds and therefore required either pre-event approval from or post-event justification to JMD. Table 4 shows those OJP conferences held during this period that we selected to test for compliance of the approval requirement.

Table 4
Reviewed OJP Conferences, June to September 2013

Event Title	Location	Dates	Reported Cost (\$)
Tribal Probation Academy	Shelton, Washington	06/03/13-06/07/13	29,310
Case Management Practices for Tribal Probation Personnel	Rapid City, South Dakota	06/11/13-06/13/13	24,230
Faculty Development Workshop: Train the Trainers for Judges	Reno, Nevada	06/10/13-06/13/13	32,950
Scientific Working Group for Forensic Anthropology	Washington, D.C.	06/11/13-06/13/13	24,153
Technical Advances in the Visual Documentation of Crime Scenes	Richmond, Virginia	06/11/13-06/12/13	46,205
In Harm's Way: Law Enforcement Suicide Prevention	Albany, New York	06/13/13-06/14/13	45,806
National Prison Rape Elimination Act Auditor Training	Potomac, Maryland	06/24/13-06/28/13	119,916
Unsafe Havens II: Advanced Trial Advocacy for Prosecutors	San Antonio, Texas	07/22/13-07/26/13	29,300
Canvassing, Search and Recovery Strategies for Abducted Children	Minneapolis, Minnesota	07/22/13-07/24/13	20,904
Practical Approaches to Family Issues in Tribal Court	Reno, Nevada	07/29/13-08/01/13	40,186
Crime Solutions Practice Training Workshop: Rating Evidence from Meta-Analyses	Washington, D.C.	08/20/13-08/21/13	23,320
Weaponless Defense Tactics Training for Tribal Probation Officers	Albuquerque, New Mexico	08/12/13-08/16/13	22,713
ICAC Online Ads Training	Denver, Colorado	09/04/13-09/06/13	24,930
Tribal Probation Academy - Fall	Shelton, Washington	09/16/13-09/20/13	38,247
Basic Bloodstain Pattern Analysis Course	New York, New York	09/23/13-09/27/13	44,812
Total			\$566,982

Source: JMD

OJP officials initially told us that they believed they obtained all necessary approvals for events its awardees hosted between June 1 and September 30, 2013, including an approval from the Deputy Attorney General for its most expensive OJP-funded conference on eliminating prison rape, which cost nearly \$120,000. However, we found that OJP did not obtain pre-event approvals for 15 conferences that, considering reported actual costs, exceeded at least one or more cost thresholds. As shown in Table 5, 11 of the 15 OJP conferences we reviewed exceeded the \$50 per-person cost threshold for logistical planning, 2 conferences exceeded the \$200 per-person limit on programmatic planning costs, 1 exceeded both limits, 5 exceeded the \$25 per-person, per-day limit on meeting space and audiovisual expenses. In total, we calculated that OJP spent \$17,145 over what would otherwise have been permissible under the established cost category thresholds.

Table 5
OJP Conference Cost Threshold Overages

Conference Title	Number of attendees	Spent more than:			Total Amount Spent Over Conference Cost Threshold (\$)
		\$50 per attendee on logistical conference planning	\$200 per attendee on programmatic conference planning	\$25 per attendee per day on meeting space and audio-visuals	
Tribal Probation Academy - Session 4	16	Yes	No	Yes	2,719
Technical Advances in the Visual Documentation of Crime Scenes	24	Yes	No	Yes	7,060
Faculty Development Workshop: Train the Trainers for Judges	27	Yes	No	No	444
Scientific Working Group for Forensic Anthropology	18	Yes	No	No	232
Case Management Practices for Tribal Probation Personnel	14	Yes	No	No	1,108
In Harm's Way: Law Enforcement Suicide Prevention Conference	120	Yes	No	No	211
National Prison Rape Elimination Act Auditor Training for Adult Prisons and Jails Standards	76	No	No	Yes	634
Canvassing, Search and Recovery Strategies for Abducted Children	21	No	No	Yes	1,119
Unsafe Havens II: Advanced Trials Advocacy for Prosecutors Handling Technology-Facilitated Child Sexual Exploitation Cases	45	Yes	No	No	34
Practical Approaches to Family Issues in Tribal Court	37	Yes	No	No	232
Weaponless Defense Tactics Training for Tribal Probation Officers	22	Yes	No	No	257
Crime Solutions Practice Training Workshop: Rating Evidence from Meta-Analyses	34	Yes	No	No	203
ICAC Online Ads Training Program	28	No	No	Yes	143
Tribal Probation Academy - Fall Session 1 of 4	29	No	Yes	No	1,749
Basic Bloodstain Pattern Analysis Course	18	Yes	Yes	No	1,000
Totals		11 events	2 events	5 events	\$17,145

Source: OIG analysis of OJP conference data

As stated previously, under the Policy's reporting framework, whenever an event's actual costs ultimately exceed an established cost threshold for approval, reporting components need to justify the reasons why an event exceeded cost thresholds when reporting figures to JMD if they did not obtain prior approval. We confirmed OJP reported post-event justifications for 9 of the 15 events that ultimately exceeded one or more cost thresholds by \$14,207. These justifications included requiring additional planning time to prepare for the training, procure equipment, address more calls from attendees than expected, find additional hotel space for attendees, and arrange different presenters. However, our review of OJP files for the other six events that exceeded DOJ policy cost thresholds by a total of \$2,938 identified no post-event justifications. We recommend that OJP improve established procedures to ensure that it consistently maintains post-event justifications to JMD whenever an event's actual, reported costs exceed any cost threshold.

In addition, we examined the details of the 91 events OJP reported it funded during our scope to determine whether it appeared as though OJP intentionally split conferences to reduce individual event costs. Based on our review of the data, although OJP funded nine events that had the same subject matter, these events took place on different dates or were in different locations. OJP officials stated that they held these conferences on different dates and in different locations to maximize the number of grant program participants able to attend each event. We therefore concluded that OJP did not intentionally split conferences to circumvent reporting thresholds.

We also found that quarterly conference reports included estimated costs for 13 of 91 OJP-funded conferences instead of actual costs as required by DOJ policy. OJP officials told us that they submit to JMD the estimated costs for some conferences because they do not have on hand the actual cost figures for all events from their award recipients by the reporting deadline. OJP officials told us and JMD confirmed that they subsequently submit the actual costs of conferences if they receive the actual costs during the same fiscal year.⁶ OJP also confirmed that one of the listed events was postponed and did not take place until March 2014.

⁶ OJP subsequently provided us with actual costs for several events for which it had provided estimated figures.

Inaccurate conference cost reporting negatively affects the integrity of the conference cost reporting process enacted throughout the Department. We therefore recommend that OJP work with its award recipients to improve the timeliness of submitting their actual conference costs. In addressing this recommendation, we encourage OJP to explore various methods that will prompt award recipients to expedite reporting actual conference cost figures by making future awards or contracts contingent on full, post-event, actual cost reporting.

In our opinion, post-event justifications for exceeding DOJ-policy cost thresholds should be provided because such justifications document a contemporaneous reason for the costs and enhance reporting transparency and oversight. DOJ Policy Statement 1400.01's reporting framework – but not the policy itself – calls for components to provide a post-event justification when actual conference costs exceed cost thresholds or limits. Without an explicit requirement in DOJ's policy, components may not be aware they should provide such post-event justifications. We therefore also recommend that JMD clarify the DOJ conference reporting policy regarding the need to justify exceeding established cost thresholds and limits and ensure that its oversight includes receiving actual cost reports after events.

Office on Violence Against Women

The OVW provides funding to awardees to host program-related events. The OVW's mission is to provide federal leadership in developing the national capacity to reduce violence against women and administer justice for and strengthen services to victims of domestic violence, dating violence, sexual assault, and stalking. A critical component in implementing the *Violence Against Women Act* (VAWA) grant programs has been ensuring that the states, tribes, colleges and universities, local units of government, and non-profit organizations awarded VAWA grant funds receive training and technical assistance.

The OVW used a routing slip to direct conference documents to various officials for review and approval. According to OVW officials, the program specialist reviewed the submission from its award recipients to ascertain whether the conference is necessary and confirm the event's logistical details. Then the event material was sent to program supervisors and grant financial management personnel for further review. The OVW Director also reviewed conference data to ensure accurate reporting of data to JMD and to request approval when the OVW anticipates that an event will exceed cost thresholds.

However, we note that the routing slip the OVW used to direct conference-related documents through various levels of review and approval did not include any instructions on what each official should focus on during their review. We followed up with the OVW regarding this issue, and the OVW provided a "draft" checklist that detailed this information. However, the OVW confirmed that it did not use this checklist between June and September 2013, the primary period of our review. We believe that the checklist is valuable because it itemizes exactly which

information each stage of the conference review process should assess for each event. As a result, we recommend that the OVW finalize the checklist and ensure that it is incorporated in its conference review and approval process.

The OVW held 28 events between June and September 2013. Our analysis of the OVW's compliance with the Policy revealed that 11 of the 28 OVW events exceeded various cost thresholds that triggered JMD approval. As shown in Table 6, the most expensive of these events was the *Social Change Advocacy: A Focus on Individual Advocacy*, which cost \$80,615.

Table 6
Reviewed OVW Conferences, June to September 2013

Event Title	Location	Dates	Reported Cost (\$)
The Fundamentals of Representing LGBTQ Victims	Columbus, Ohio	06/11/13 - 06/13/13	28,607
U.S. Territories Coalitions and STOP Administrator Roundtable	Ottoville, American Samoa	06/23/13 - 06/27/13	53,174
Special Offenses: Domestic Violence, Stalking, Sexual Assault for the Prosecution	Topeka, Kansas	07/10/13 - 07/12/13	38,766
Working Together to Stop Sexual Violence Against Women with Disabilities	Springfield, Illinois	07/24/13 - 07/25/13	34,215
Intersection of Domestic Violence & HIV/AIDS Training	Los Angeles, California	07/29/13 - 07/30/13	44,114
Tribal Law & Policy Institute for Tribal Coalitions	San Diego, California	08/02/13 - 08/03/13	20,586
Enhancing Judicial Skills in Elder Abuse Cases	Portland, Oregon	08/11/13 - 08/14/13	37,473
Social Change Advocacy: A Focus on Individual Advocacy	Chaska, Minnesota	08/13/13 – 08/16/13	80,615
Supporting Organizational Sustainability to Address Violence Against Women	San Francisco, California	09/05/13 - 09/07/13	31,185
National Law Enforcement Leadership Institute	Savannah, Georgia	09/08/13 - 09/12/13	45,163
Prosecutor's Elder Abuse Training	Arlington, Virginia	09/09/13 - 09/13/13	28,865
Total			\$442,763

Source: JMD

As shown in Table 7, the OVW funded two conferences that exceeded the \$50 per-person cost threshold for logistical planning, one conference that exceeded the \$200 per-person limit on programmatic planning costs, and three that exceeded both limits. Four conferences exceeded the \$25 per-person, per-day limit on meeting space and audiovisual expenses, and one conference exceeded both the \$50 per-person logistical planning and the \$25 per-person per-day conference space and audiovisual thresholds.

Of the 11 OVW events that exceeded cost thresholds, 5 events incurred more for conference meeting space and audiovisual per person, per day, while 7 events

exceeded per-person planning costs. OVW officials told us that they use anticipated or estimated attendee figures while planning conferences. Applying these figures, OVW officials told us they do not approve events that will exceed cost thresholds. However, differences between estimated and actual attendance figures resulted in an event exceeding a cost limit or per-person threshold. In some cases where costs exceeded categorical cost limits, we found that even a small change in the number of actual attendees would have resulted in a particular event exceeding established per-person DOJ cost limits. In total, we calculated that the OVW award recipients spent more than \$13,494 over what would otherwise have been permissible under the established cost category thresholds, as shown in Table 7.

Table 7
OVW Conference Cost Threshold Overages

Conference Title	Number of Attendees	Spent more than:			Total Amount Spent Over Conference Cost Threshold (\$)
		\$50 per attendee on logistical conference planning	\$200 per attendee on programmatic conference planning	\$25 per attendee per day on meeting space and audio-visuals	
The Fundamentals of Representing LGBTQ Victims of Domestic/ Intimate Partner Violence	26	Yes	No	No	1,299
U.S. Territories Coalition STOP Administrator Roundtable	18	Yes	Yes	No	327
Special Offenses: Domestic Violence, Stalking, Sexual Assault for the Prosecution Team Multidisciplinary	52	Yes	Yes	No	3,158
Working Together to Stop Sexual Violence Against Women with Disabilities	119	No	No	Yes	428
Intersection of Domestic Violence & HIV/AIDS Training of Trainers	42	Yes	No	Yes	950
NIWRC/OVW Tribal Law & Policy Institute for Tribal Coalitions	33	No	Yes	No	1,742
Enhancing Judicial Skills in Elder Abuse Cases	46	No	No	Yes	871
Social Change Advocacy: A Focus on Individual Advocacy	52	No	No	Yes	578
Supporting Organizational Sustainability to Address Violence Against Women (SOS Institute) Training	45	Yes	Yes	No	584
National Law Enforcement Leadership Institute on Violence Against Women	33	No	No	Yes	2,577
Prosecutor's Elder Abuse Training – Pilot Test	46	Yes	No	No	980
Totals		6 events	4 events	5 events	\$13,494

Source: OIG analysis of OVW conference data

When reporting to JMD actual costs that ultimately exceeded Policy-established thresholds, OVW generally included post-event justifications.

We also examined OVW conferences held during our scope to determine if the OVW split conferences in order to stay under reporting thresholds. Based on our review, we did not note any OVW conference that took place between June and September 2013 that appeared to have been split based on location, date, or subject matter.⁷

Component Efforts to Reduce Conference Spending

To assess the efforts by the audited components to implement the DAG Memorandum directive to postpone or scale back planned conferences that were not necessary to maintain mission-critical operations and where postponement would not result in significant financial penalties, we reviewed any specific directions issued by component leadership and requested listings of cancelled or postponed conferences in FY 2013. We also analyzed the trend of conference expenditures overall and for each component since FY 2012 to determine whether each component had in fact reported both fewer events and reduced conference costs.

Federal Bureau of Investigation

We found that the FBI took several actions to implement the DAG Memorandum that were consistent with its purpose. Following the memorandum's issuance, the FBI directed its divisions to cancel all training events scheduled to be held on or after May 1, 2013. The FBI further implemented an internal approval process to ensure that: (1) it hosted only functions that were mission-critical, necessary to protect life and safety, or reimbursable and (2) limited employee attendance to those having a justifiable need to attend. The FBI provided us with a list of 1,573 conferences and instances of employee travel and training it stated it cancelled subsequent to receiving the DAG Memorandum.

We also compared reported FBI conference cost figures for FYs 2012, 2013, and 2014, and as shown in Table 8, we found the FBI dramatically reduced its reported conference costs between FYs 2012 and 2014.

⁷ While outside the scope of our audit, OVW officials told us that they ultimately decided to split a postponed national conference, originally scheduled for FY 2012, into three regional events occurring in FY 2014, at least in part because of conference cost thresholds and other cost concerns.

Table 8
Reported FBI Conference Activity
Fiscal Years 2012-2014

Fiscal Year	Number of Events	Total Cost (\$)	Total Attendees
2012	209	17,024,579	16,895
2013	56	4,276,818	5,465
2014	67	3,362,087	5,535

Source: JMD

The FBI reported reducing conference costs by over 74 percent and the number of attendees by almost 70 percent in FY 2013 compared to FY 2012. Further, FY 2014 figures revealed that while the number of conferences the FBI held increased slightly, the total reported cost of these events decreased by 21 percent from FY 2013.

Drug Enforcement Administration

We found that the DEA also took several actions to implement the DAG Memorandum that were consistent with its purpose. The DEA stated that it did not cancel, postpone, or scale back any planned events after the March 5, 2013 DAG Memorandum because it had already cut conference spending to the “bare minimum” needed to complete the agency’s mission and such events were, therefore, mission critical. However, the DEA Administrator responded to the DAG Memorandum by issuing a memorandum on April 1, 2013 that froze all DEA-funded training and conference spending, except for training courses (1) supported by registration fees, earmarked funds, or other federal agencies; (2) required by law or regulations or otherwise needed to maintain certifications; or (3) that were the subject of a prior DEA commitment to a foreign government. We reviewed the list of 19 events the DEA hosted from June to September 2013, and did not identify any event that was outside of these exceptions.

Table 9 summarizes the DEA’s reported conference activity and costs between FYs 2012 and 2014.

Table 9
Reported DEA Conference Activity
Fiscal Years 2012-2014

Fiscal Year	Number of Events	Total Cost (\$)	Total Attendees
2012	52	2,844,502	10,380
2013	37	2,663,937	4,333
2014	21	1,494,689	3,702

Source: JMD

The DEA reported a decrease in the number of events held in FY 2013 to 37 from 52 the year prior (a reduction of almost 29 percent) and a decrease in total conference spending by \$180,565 in that same period (a 6-percent reduction).

Office of Justice Programs

We found that the OJP also took several actions to implement the DAG Memorandum that were consistent with its purpose. In response to the DAG Memorandum, OJP's Acting Assistant Attorney General issued a memorandum to all OJP staff directing all program offices to look for opportunities to scale back or postpone OJP conferences. As a result, OJP reported it cancelled or postponed five events costing over \$100,000 each, with a projected total savings of \$815,349, yet approved two events it deemed mission critical. OJP officials stated that they postponed some smaller conferences. For instance, OJP postponed from August 2013 to March 2014, an NIJ Ballistic Resistant Armor Conference with a reported cost of over \$12,000. Additionally, OJP directed its grant managers to encourage cooperative agreement recipients and contractors to host video teleconferences in an effort to reduce event and travel costs.

Further, as shown in Table 10, OJP reported a significant reduction in its conference activities since FY 2012.

Table 10
Reported OJP Conference Activity
Fiscal Years 2012-2014

Fiscal Year	Number of Events	Total Cost (\$)	Total Attendees
2012	415	24,170,988	47,566
2013	270	11,365,786	22,976
2014	201	8,046,976	16,348

Source: JMD

According to reported conferences data, OJP held 145 fewer events in FY 2013 than FY 2012, or about 35 percent less, as well as cut its overall reported conference costs by almost \$13 million, or 53 percent.

Office on Violence Against Women

We found that the OVW also took action to implement the DAG Memorandum that was consistent with its purpose. In response to the DAG Memorandum, OVW leadership issued memoranda both to: (1) employees directing that conferences costs should be kept to a bare minimum and that large conferences costing over \$100,000 should be postponed and (2) award recipients directing that they consider technological alternatives to traditional conferences such as video conferencing and webinars. OVW officials told us that they established the aforementioned review process for conferences, scaled-back a number of events, and ultimately cancelled or postponed seven events due in part to the time-intensive nature of the conference approval process. The OVW also told us that it reduced the number of faculty presenters and increased the use of webinars to reduce the costs associated with in-person events.

Despite these efforts, according to reported conference data shown in Table 11, the OVW reported it spent more on conferences in FYs 2013 and 2014 than it did in FY 2012.

Table 11
Reported OVW Conference Activity
Fiscal Years 2012-2014

Fiscal Year	Number of Events	Total Cost (\$)	Total Attendees
2012	48	2,722,320	6,689
2013	74	3,444,384	7,311
2014	95	3,871,843	7,738

Source: JMD

Specifically, in FY 2013, the OVW reported that its award recipients spent \$722,000 more (27 percent) than its recipients did in FY 2012. Despite the OVW cancelling or postponing seven events during this timeframe, the OVW reported holding 26 more conferences than it did in FY 2012, constituting over a 50-percent increase in the number of events. We note that the total number of OVW attendees increased by 622, or 9 percent, while the average cost reported per event decreased by \$10,169, or 18 percent, from FY 2012 to FY 2013.

We shared these figures with OVW officials, who offered several explanations for the overall reported increase in FY 2013 conference costs. First, OVW officials attributed the reported increase to the fact the OVW did not include indirect planning costs prior to FY 2013. The OVW explained that it worked with its cooperative agreement recipients before that time to finalize and report figures to consistently include such costs. Prior to DOJ Policy Statement 1400.01 taking effect in June 2012, DOJ did not require components to include awardee indirect costs in quarterly conference cost reports. According to OVW officials, uniform reporting of such costs resulted in reporting 14 separate events totaling more than

\$20,000 each.⁸ Second, OVW officials told us that six FY 2013 conferences were actually events that it had postponed from FY 2012.

In addition to these factors, the OVW highlighted a mission-critical need to host more events, such as roundtables and focus groups, throughout FY 2013 to help it implement new initiatives required under the reauthorization of the *Violence Against Women Act*.⁹

Despite the overall increase in reported conference expenditures, OVW officials emphasized to us that their efforts focused on reducing the costs of individual events and not necessarily on the overall amount spent on conferences. OVW officials also told us that its sustained emphasis on minimizing conference spending has affected its mission. OVW reported that it did not host its biennial STOP Violence Against Women Formula Grant Program in FY 2014 due to cost. Instead, the OVW is exploring other options to convey program information to state and territory partners, such as video teleconferences, to address several legislative changes to and requirements of the STOP grant program.

In October 2012, the OVW established a reimbursable agreement with OJP under which OJP performs the financial internal review and conference monitoring for its awards. Further, OJP and the OVW use the same special conditions on their respective conference-related awards pertaining to audiovisual, logistics, and room rental costs. Considering that OVW's individually event-focused efforts to control conference spending have not yet resulted in reducing overall reported conference costs, we recommend that the OVW update its conference review and approval process to include a step that compares total current-year conference spending to prior year spending. Such a process should ensure that OVW leadership has the data necessary to assess the status of overall conference spending and can take action to restrict award recipients' spending if necessary.

⁸ The OVW estimates that including indirect and related costs resulted in reporting \$666,000 in additional conference costs for FY 2013.

⁹ Pub. L. 113-4 (2013)

Recommendations

We recommend that OJP

1. Improve established procedures to ensure that it consistently maintains post-event justifications to JMD whenever an event's actual, reported costs exceed any cost threshold.
2. Work with its award recipients to improve the timeliness of submitting their actual conference costs.

We recommend that the OVW

3. Finalize the conference approval checklist and ensure that it is incorporated in its conference review and approval process.
4. Update its conference review and approval process to include a step that compares total current-year conference spending to prior year spending.

We recommend that JMD

5. Clarify the DOJ conference reporting policy regarding the need to justify exceeding established cost thresholds and limits and ensure that its oversight includes receiving actual cost reports after events.

STATEMENT ON INTERNAL CONTROLS

As required by the *Government Auditing Standards*, we tested, as appropriate, internal controls significant within the context of our audit objectives. A deficiency in an internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect in a timely manner: (1) impairments to the effectiveness and efficiency of operations, (2) misstatements in financial or performance information, or (3) violations of laws and regulations. Our evaluation of the internal controls of the Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), the Drug Enforcement Administration (DEA), and the Federal Bureau of Investigation (FBI) was *not* made for the purpose of providing assurance on their internal control structures as a whole. Management at these components is responsible for the establishment and maintenance of internal controls.

Because we are not expressing an opinion on the internal control structure of these components as a whole, this statement is intended solely for the information and use of the auditees and is not intended to limit the distribution of this report, which is a matter of public record.

STATEMENT ON COMPLIANCE WITH LAWS AND REGULATIONS

As required by the *Government Auditing Standards* we tested, as appropriate given our audit scope and objectives, selected transactions, records, procedures, and practices to obtain reasonable assurance that the OVW, OJP, DEA, and FBI's management complied with federal laws and regulations for which noncompliance, in our judgment, could have a material effect on the results of our audit. The management of these components is responsible for ensuring compliance with federal laws and regulations applicable to the Department of Justice. In planning our audit, we identified the following laws and regulations that concerned the operations of the auditee and that were significant within the context of the audit objectives. Specifically, the following established a requirement to report all conferences costing over \$20,000 or held in non-federal facilities:

- *Consolidated and Further Continuing Appropriations Act, 2012*, Pub. L. No. 112-55 (2011)
- *Consolidated and Further Continuing Appropriations Act, 2013*, Pub. L. No. 113-6 (2013)
- *Consolidated Appropriations Act, 2014*, Pub. L. No. 113-76 (2014)

Our audit included examining, on a test basis, these four components' compliance with the aforementioned laws and regulations, and whether non-compliance could have a material effect on their operations. We did so by interviewing component program personnel, requesting and reviewing reports, assessing oversight procedures, and examining records.

Through our testing, nothing came to our attention that caused us to believe that OVW, OJP, DEA, and FBI management were not in compliance with the aforementioned laws and regulations.

OBJECTIVES, SCOPE, AND METHODOLOGY

Objectives

The objectives of this audit were to: (1) determine whether Department of Justice (DOJ) components complied with established conference planning policies and (2) review actions the components took to implement the March 5, 2013 Memorandum from the Deputy Attorney General (DAG Memorandum), which required postponing or scaling back conferences that were not necessary to maintain core, mission-critical operations.

Scope and Methodology

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 provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit work included interviewing component officials, analyzing component responses to requests for information, and reviewing supporting documentation for sampled conferences held during our scope. To ensure component leadership had adequate time to respond to the DAG Memorandum, our audit focused on a universe of events that components reported took place between June and September 2013. Our audit focused on the DOJ components who reported the most conference activity to the Justice Management Division (JMD) during our scope. DOJ components are required to report quarterly conference activity to JMD for all DOJ-sponsored events that cost more than \$20,000 or were held at non-federal facilities. Accordingly, we relied upon the conference activity and cost information reported to and compiled by JMD by DOJ components between FYs 2010 to 2014, and in particular FY 2013, as a basis for our testing and subsequent analysis of resulting trends in conference activity and costs. We did not establish the reliability of the annual conference reports as a whole. As this historical conference information is the only data available to us for this period of time, we do not believe our reliance on these reported figures affects the recommendations and conclusions in this report. Considering components would need time to respond to the DAG Memorandum of March 5, 2013, we further decided to review conferences held and reported to JMD between June and September 2013.

Four DOJ components, the Office on Violence Against Women (OVW), Office of Justice Programs (OJP), Drug Enforcement Administration (DEA), and the Federal Bureau of Investigation (FBI), represented 149 of the 160 events (93 percent) held during our scope period and \$6,938,866 of the \$7,304,226 conference expenditures (95 percent) reported to JMD during our scope period. We concentrated our testing on these four components. Table 12 represents the activity of the four DOJ

components during our scope period and the activity of the 56 events judgmentally selected for testing. Our testing included all the events held by DEA and the FBI and those events held by OJP and the OVW for which category costs exceeded required thresholds.

Table 12
Reported OJP, OVW, DEA, and FBI Conference Activity,
June through September 2013

Component	Number of Events	Total Cost (\$)	Number of Events Sampled	Total Cost Sampled (\$)
OJP	91	3,583,429	15	566,982
OVW	28	1,244,581	11	442,763
DEA	19	1,791,024	19	1,791,024
FBI	11	319,832	11	319,832
Total	149	\$6,938,866	56	\$3,120,601

Source: JMD

We designed our judgmental sample testing of components' conferences to permit us to identify specific costs that deviated from established cost limits and approval thresholds and evaluate any reasons components offered for such deviations. In addition, we assessed component-level policy and programmatic efforts with regard to limiting conference spending after issuance of the DAG Memorandum, which required postponing or scaling-back planned conferences unless the event was necessary to maintain mission-critical operations or the event was already approved and postponement would result in a significant financial penalty. We also obtained the annual reports of conference activities and costs since FY 2012 for these four components to determine the effect, if any, of components' implementation efforts on conference numbers and costs. Our analysis relied on components' responses to OIG requests for information highlighting compliance with conference cost limits and approval thresholds required by DOJ Policy Statement 1400.01, and with instructions outlined in the DAG Memorandum to postpone and scale back planned conferences.

We also note that historical conference information reported to JMD for FYs 2012 to 2014, as presented in the Figure and Tables 8 – 11 of this report, is provided only to lend continuity and identify trends in DOJ conference reporting; however, the scope of our audit was limited to DOJ component events occurring between June and September 2013.

OFFICE OF JUSTICE PROGRAMS
RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

Office of Justice Programs

Washington, D.C. 20531

AUG 31 2015

MEMORANDUM TO: Michael E. Horowitz
Inspector General
United States Department of Justice

THROUGH: Jason R. Malmstrom
Assistant Inspector General for Audit
Office of the Inspector General
United States Department of Justice

FROM: Karol V. Mason *K. Mason*
Assistant Attorney General

SUBJECT: Response to the Office of the Inspector General's Draft Audit Report, *Audit of the Department of Justice's Conference Planning and Reporting Requirements*

This memorandum provides a response to the Office of the Inspector General's (OIG's) August 7, 2015, draft audit report, entitled *Audit of the Department of Justice's Conference Planning and Reporting Requirements*. The Office of Justice Programs (OJP) appreciates the opportunity to review and comment on the draft report.

OJP is strongly committed to providing sound stewardship over its multi-billion dollar grant portfolio, including oversight and spending on conferences. OJP has put strong internal controls in place to ensure that conference related costs are reasonable and comply with cost thresholds established in the Department's conference policy.

The draft report identifies a significant downward trend in the number and cost of Department of Justice (Department, DOJ) conferences held between fiscal years (FYs) 2010 through 2014 (for conferences costing \$20,000 or more, and held in non-Federal facilities). The OIG found that the number of events decreased by almost 1,300, a decrease of 74 percent, and costs decreased correspondingly by approximately \$72 million, or 80 percent.

As we consider the significant reduction in the number of conferences and related costs, it is important to emphasize the important role OJP-funded conferences and events have in carrying out OJP's mission and the Department's priorities. These events provide low or no-cost and otherwise unavailable opportunities for state, local, and tribal governments and non-governmental organizations and service providers to identify and adopt best practices in areas such as law enforcement, sex offender registration and management, courts, prosecution, missing children, and victim services. The attendees at these events include but are not limited to public safety officers, judges, court clerks, victim advocates, victim service providers, forensic scientists, crime analysts, researchers, and academia.

To fulfill its mission, OJP's goal has been, and will continue to be, funding events designed to directly benefit state, local, and tribal governments and the justice field in a cost-effective and efficient manner and in compliance with all DOJ policies and thresholds.

Report Recommendations Directed to OJP

The draft audit report contains five recommendations, of which two recommendations (numbers 1 and 2)¹ are directed to OJP. For ease of review, these recommendations are restated in bold and are followed by OJP's response.

- 1. We recommend that OJP improve established procedures to ensure that it consistently maintains post-event justifications to JMD whenever an event's actual, reported costs exceed any cost threshold.**

OJP agrees with the recommendation. Currently, upon receipt of the report detailing the cooperative agreement's post-event actual costs, OJP uploads the reports and maintains the data within OJP's conference reporting tracking tool. Pursuant to the DOJ Financial Guide, cooperative agreement recipients and contractors must submit the completed Conference and Event Submission Form (Form) to OJP, documenting the prior approval amounts compared to the actual costs. Justifications for all variances greater than 10 percent and \$1,000 must be reported on the Form next to the appropriate category.

Also, OJP recently implemented changes to its process to maintain justifications for those cooperative agreements whose conference actual costs exceeded the prior approval amount or any category thresholds. For conferences with post-event reports submitted to OJP subsequent to the quarter in which the report was due, a separate file is kept and appropriately named in the tracking tool. This separation will help OJP maintain and retrieve these reports easily for submission to JMD in the next quarter. To that end, OJP will revise its current procedures to ensure that post-event justifications to JMD are maintained whenever an event's actual, reported costs exceed any cost threshold. OJP considers this recommendation resolved and requests written acceptance of this action from your office.

¹ Recommendations 3 and 4 are directed to the Office on Violence Against Women for a response; and Recommendation 5 is directed to the Justice Management Division for a response.

2. **We recommend that OJP work with its award recipients to improve the timeliness of submitting their actual conference costs.**

OJP agrees with the recommendation. Effective with the FY 2011 award cycle, OJP established a special condition that is placed on all cooperative agreements requiring the recipient to report actual conference costs to OJP within 45 calendar days after the end date of the event. Upon approval of the event, OJP sends an email notification to the cooperative agreement recipient reminding them of this requirement, along with a template to assist them with reporting their actual conference costs.

OJP continues to look for ways to strengthen the policies and procedures around post-event reporting. For example, in FY 2013, OJP implemented a “late notice” notification procedure, whereby OJP sends out a reminder notice to the cooperative agreement recipient prior to the due date of a post-event report. If the report has not been received by the due date, OJP sends a late notification within 7 days after the due date of the report. The notice states that if the report is not received within 5 days award funds may be frozen.

Although most of the post-event reports during the period of March 2012 to September 2014 were received within the fiscal year they were due, they were not always received within the appropriate quarter. As such, OJP will continue to work with the recipients to improve timeliness of submitting the post-event reports in the appropriate quarter. In addition, OJP will revise its current procedures to ensure that award funds of those cooperative agreement recipients whose post-event reports have not been received within 5 days of the final “late notice” described above are frozen. It is expected that these revisions will be incorporated in OJP’s existing procedures by March 31, 2016. OJP considers this recommendation resolved and requests written acceptance of this action from your office.

Thank you for your continued support and assistance. If you have any questions regarding this response, please contact Ralph E. Martin, Director, Office of Audit, Assessment, and Management, on (202) 305-1802.

cc: Beth McGarry
Principal Deputy Assistant Attorney General

Maureen A. Henneberg
Deputy Assistant Attorney General
for Operations and Management

Leigh Benda
Chief Financial Officer

Ralph E. Martin
Director
Office of Audit, Assessment, and Management

cc: Rafael A. Madan
General Counsel

Silas V. Darden
Acting Director
Office of Communications

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

Lee J. Lofthus
Assistant Attorney General for Administration
Justice Management Division

OJP Executive Secretariat
Control Title IT 20150820122559

OFFICE ON VIOLENCE AGAINST WOMEN
RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

Office on Violence Against Women

Washington, DC 20530

August 26, 2015

MEMORANDUM

TO: Jason R. Malmstrom
Assistant Inspector General for Audit

FROM: Bea Hanson 
Principal Deputy Director
Office on Violence Against Women

Rodney Samuels
Audit Liaison
Office on Violence Against Women

SUBJECT: Draft Audit Report - Audit of the Department of Justice's
Conference Planning and Reporting Requirements

The Office on Violence Against Women (OVW) is providing responses for resolution of recommendations 3 and 4 of the subject audit.

3. Finalize the conference approval checklist and ensure that it is incorporated in its conference review and approval process costs.

OVW agrees with the recommendation. We have finalized the checklist and it will be implemented in FY 2016-Q1.

4. Update its conference review and approval process to include a step that compares total current-year conference spending to prior year spending.

OVW agrees with the recommendation to conduct an annual analysis. As previously noted, OVW's mission includes providing training and technical assistance to state, tribal, and local law enforcement, prosecutors, advocates, judges, and other professionals. This statutory responsibility is also reflected in an annual performance goal related to the number of people trained with OVW funds. Therefore any analysis will compare the number of people trained, the

average cost per attendee, and the average cost per event with the goal of minimizing the cost per event and per attendee, not to necessarily decrease the total cost overall.

We appreciate the opportunity to review and comment on the draft report. If you have any questions or require additional information, please contact Rodney Samuels of my staff at (202) 514-9820.

cc Donna Simmons
Associate Director, Grants Financial Management Division
Office on Violence Against Women (OVW)

Nadine M. Neufville
Deputy Director for Grant Development and Management
Office on Violence Against Women (OVW)

JUSTICE MANAGEMENT DIVISION RESPONSE TO THE DRAFT REPORT



U.S. Department of Justice

AUG 19 2015

Washington, D.C. 20530

MEMORANDUM FOR JOHN MANNING
REGIONAL AUDIT MANAGER
WASHINGTON REGIONAL AUDIT OFFICE
OFFICE OF THE INSPECTOR GENERAL

FROM: Lee J. Lofthus
Assistant Attorney General
for Administration 

SUBJECT: Justice Management Division (JMD) Response to the Office of the
Inspector General (OIG) Draft Report: Audit of the Department of
Justice's Conference Planning and Reporting Requirements

This responds to the OIG Draft Report: Audit of the Department of Justice's Conference Planning and Reporting Requirements. The OIG recommendation number 5 was addressed to JMD and our response to this recommendation is presented below. Recommendations 1 and 2 were addressed to the Office of Justice Programs (OJP), and recommendations 3 and 4 were addressed to the Office on Violence Against Women (OVW). The OJP and OVW provided separate memorandums to the OIG responding to the recommendations addressed to their component, thus JMD is not providing specific additional responses to these recommendations.

The Department recognizes the importance of using scarce tax dollars wisely, and avoiding wasteful or excessive spending or noncompliance with Department guidelines regarding conference expenditures. At the same time, we believe that conferences are often the best method of delivering operational training to federal, state, and local law enforcement professionals and grantee organizations, and that this training plays an important role in enhancing the effectiveness of their efforts. The Department has taken aggressive steps to limit conference spending, which have yielded significant savings as outlined in the report. The issuance of DOJ Policy Statement 1400.01, "Planning, Approving, Attending and Reporting Conferences," in June 2012 imposed further controls on conference spending as well as set spending restrictions on conference space, audio visual services and equipment, conference planners (logistical and programmatic), and government provided meals which has ensured conference spending is kept within appropriate limits.

JMD has reviewed the draft OIG report and provides the following response to the OIG recommendation to the JMD.

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Memorandum for John Manning

Subject: Justice Management Division (JMD) Response to the Office of the Inspector General (OIG) Draft Report: Audit of the Department of Justice's Conference Planning and Reporting Requirements

Recommendation 5: Clarify the DOJ conference reporting policy regarding the need to justify exceeding established cost thresholds and limits and ensure that its oversight includes receiving actual cost reports after events.

Response: The JMD concurs with the recommendation. To further clarify the reporting requirement, JMD will add verbiage to Policy Statement (PS) 1400.01, "Planning, Approving, Attending and Reporting Conferences" stating the requirement for the justifications when actual costs exceed policy thresholds without receiving JMD approval in advance. Currently, JMD uses a standardized form for reporting conference costs. The form contains a column titled "Justification for Exceeding Policy Thresholds Without Receiving JMD Approval in Advance" for justifications when actual costs exceed policy thresholds. Due to the system used to generate conference reports by the Office of Justice Programs (OJP), a customized reporting form was created for OJP. During the time period of review (June through September 2013), the form did not clearly state the requirements for justifications when actual costs exceeded thresholds. In Fiscal Year (FY) 14, columns were added to the OJP reporting form to emphasize required justifications for exceeding policy thresholds similar to the standard Department reporting form. To date in FY15, JMD has received conference reports for Q1 and Q2. Components have provided all required justifications in the conference reports.

In addition, JMD will ensure its oversight by receiving actual costs reports through quarterly data calls. JMD will continue to work with the Components throughout the fiscal year in an effort to obtain any actual cost reports that were unavailable during the quarterly reporting. At the end of the fiscal year, JMD will continue to report estimated costs for any actual cost reports that remain unavailable to ensure transparency in conference cost reporting.

If you have any questions, please contact Chris Alvarez, Deputy Director, JMD Finance Staff, on (202) 616-5234.

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

The Department of Justice, Office of the Inspector General (OIG) provided a draft of this audit report to the five components included in this review: the Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA), Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), and the Justice Management Division (JMD). OJP's response to the draft report is incorporated in Appendix 2, OVW's response in Appendix 3, and JMD's response in Appendix 4. The FBI and DEA declined to provide a response to the draft report.

The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendations:

- 1. Improve established procedures to ensure that it consistently maintains post-event justifications to JMD whenever an event's actual, reported costs exceed any cost threshold.**

Resolved. OJP concurred with our recommendation. OJP stated in its response that it has recently implemented changes to ensure that it maintains justifications for award recipients whose actual conference costs exceed category thresholds. With this adjustment, OJP anticipates that it will be able to provide all required post-event justifications to JMD in the next reporting quarter.

This recommendation can be closed once OJP provides to us its revised procedures and a copy of a subsequent quarterly submission to JMD that includes post-event justifications.

- 2. Work with its award recipients to improve the timeliness of submitting their actual conference costs.**

Resolved. OJP concurred with our recommendation. OJP reports that it continues to look for ways to strengthen award recipient post-event reporting procedures. In addition to establishing a special condition that award recipients report actual costs of conferences within 45 days of an event, OJP also has begun issuing reminders to award recipients that have not reported actual costs by the due date. OJP states that the reminder notifies the recipient that award funds may be frozen if the actual costs are not reported within 5 days.

This recommendation can be closed once OJP provides to us its revised reporting and oversight procedures that show it will freeze funds for award recipients that have not reported actual costs.

3. Finalize the conference approval checklist and ensure that it is incorporated in its conference review and approval process.

Resolved. OVW concurred with our recommendation. OVW reports it will finalize the checklist and that it will be incorporated in its conference review and approval process beginning in October 2015.

This recommendation can be closed once OVW provides evidence the finalized checklist is used as part of its internal conference review and approval process.

4. Update its conference review and approval process to include a step that compares total current-year conference spending to prior year spending.

Resolved. OVW concurred with our recommendation. OVW stated in its response that in addition to comparing total current-year costs with prior-year costs, it will also compare the number of attendees and costs-per attendee to address a performance goal regarding the training of participants of its programs.

This recommendation can be closed once OVW provides evidence that its conference review and approval process takes into consideration how current-year conference spending compares to prior-year spending.

5. Clarify the DOJ conference reporting policy regarding the need to justify exceeding established cost thresholds and limits and ensure that its oversight includes receiving actual cost reports after events.

Resolved. JMD concurred with our recommendation. JMD stated in its response that it will add verbiage to Policy Statement 1400.01 regarding the requirement for justifications when actual cost exceed policy thresholds without receiving JMD approval in advance. Through receiving quarterly cost reports, JMD also stated it will continue to work with components to obtain actual costs for events that were previously unavailable.

This recommendation can be closed once JMD provides to us the updated Policy Statement 1400.01 that clarifies that components need to justify exceeding established cost thresholds for events that did not receive prior approval to do so from JMD.

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