



U. S. Department of Justice

Office of the Inspector General

April 9, 2009

MANAGEMENT ADVISORY MEMORANDUM FOR:

LAURIE O. ROBINSON
ACTING ASSISTANT ATTORNEY GENERAL
OFFICE OF JUSTICE PROGRAMS

A handwritten signature in blue ink, appearing to read "R. Beaudet", is written over the printed name of Raymond J. Beaudet.

FROM: RAYMOND J. BEAUDET
ASSISTANT INSPECTOR GENERAL FOR AUDIT

SUBJECT: Edward Byrne Memorial Justice Assistance Grant Allocations of
Recovery Act Funds to Local Municipalities in the State of Illinois

This memorandum is to advise you of an issue that came to our attention during our ongoing audit of the Office of Justice Programs' (OJP) management and implementation of funds authorized by the American Recovery and Reinvestment Act of 2009 (Recovery Act). The Recovery Act authorized \$2 billion for formula-based awards under the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. Of that \$2 billion in formula funds, \$1,989,000,000 has been allocated to go directly to 56 U.S. states and territories, including units of local governments within those states.

To determine the allocation of the Byrne JAG formula funds, the OJP uses a formula prescribed by the Edward Byrne Memorial Justice Assistance Grant Program law established in 42 U.S.C. §§ 3750-3758. The Byrne JAG formula includes the use of the number of part 1 violent crimes reported to the Federal Bureau of Investigation (FBI) by state and local governments.¹ This crime data is included in the FBI's Uniform Crime Report (UCR). The formula uses a 3-year average of the number of part 1 violent crimes reported by all government entities within each state, along with population data, to determine the portion of the Byrne JAG appropriation allocated to each state. After the total amount for a state is determined, the distribution of the funds is split between the state government and the local government agencies within the

¹ The FBI's Uniform Crime Report defines part 1 violent crimes as murder, rape, and aggravated assault (<http://www.fbi.gov/ucr/handbook/ucrhandbook04.pdf>).

state. The state receives 60 percent while the local governments receive 40 percent. Additionally, the Byrne JAG statute requires that each state pass a portion of its allocation to the local governments within the state. The number of local governments that report crime data to the FBI varies from state to state. In order to qualify for direct Byrne JAG funding, a local government is required to submit crime data directly to the FBI. If a local government does not submit data directly, it is not eligible to receive direct funding, but may still be eligible for some funding from the state's pass-through portion.

During our review of the Recovery Act Byrne Grant allocations, we found that among the 56 states and territories, the 6 territories were not allocated any direct local funding. Of the remaining 50 states, OJP officials told us that the state of Illinois had a disproportionately low number of localities eligible for direct Byrne Grant funding. The state of Illinois has only seven local government units eligible for direct funding under the Recovery Act Byrne JAG formula program. Of the 50 states, Illinois' total allocation (state and local) is the fifth highest at \$83,663,470. We compared the number of local governments eligible for direct funding in Illinois to that of five other states that are close to Illinois in total allocations. We found that each of the five other states we compared had a large number of local units eligible for direct funding as shown in the table below.

State	Total Funding from Recovery Act	Total Allocated Direct Local Funding	Number of Local Government Units Eligible for Direct Funding
Georgia	\$59,045,753	\$22,835,094	216
Ohio	\$61,645,375	\$23,596,436	182
Michigan	\$67,006,344	\$25,807,514	193
Pennsylvania	\$72,372,843	\$26,918,846	259
Illinois	\$83,663,470	\$33,465,389	7
New York	\$110,592,269	\$43,323,785	152

We asked officials at the Bureau of Justice Assistance and the Bureau of Justice Statistics about the disparity in the number of local governments eligible for direct funding.² The officials told us that the disparity in Illinois occurred for two reasons. First, Illinois law requires local governments to report crime data directly to the Illinois State Police rather than the FBI. Additionally, the state requires the localities to use a method for counting its crime data that differs from the method that the FBI requires for the data to comply with the UCR. As a result, even if the Illinois State Police passed along

² The Bureau of Justice Assistance is responsible for the administration of the Byrne JAG program. The Bureau of Justice Statistics is responsible for the application of the required formula against any appropriations made to the Byrne JAG program.

the individual data for local governments, the data would not be allowable in the UCR because it would not comply with the rules the FBI has established for collecting data for inclusion in the UCR. As an example of the differences in reporting, OJP officials explained that the method used by the Illinois government units would count a crime of rape and murder as both a rape and a murder, whereas the FBI's UCR guidelines would allow that the crime only be reported at the higher charge of murder. As a result, the Illinois crime data would be overstated when compared to data reported using the UCR reporting rules.

Because most local governments within Illinois are not reporting crime data to the UCR, these local governments are not eligible to receive direct funding from the Byrne Grant. Instead, the total amount allocated to direct local funding is split among only seven jurisdictions, and as a result, those seven jurisdictions may receive a disproportionately large amount of Byrne JAG funding. These seven jurisdictions include the city of Chicago/Cook County, which received a direct allocation of \$28,663,987. This amount totaled almost six times the allocations for the other six local government units combined. The other local jurisdictions may only receive funding through the pass-through portion of the state allocation. A BJA official told us that the seven jurisdictions decided on their own, that in addition to reporting crime data to the Illinois State Police, to report crime data to the FBI for inclusion in the UCR so they would still be eligible for Byrne grant funding.

The Office of Management and Budget (OMB) issued guidance to federal departments and agencies in February 2009 for implementing the Recovery Act. The OMB guidance established five crucial accountability objectives, one of which required that the funds are awarded and distributed in a prompt, fair, and reasonable manner. We found that the disparate local distribution in Illinois does not meet this objective of the Recovery Act as being fair and reasonable because the seven Illinois jurisdictions apparently will receive significantly more funding than they would if all local jurisdictions in Illinois reported data to the FBI for inclusion in the UCR.

We recognize that this disparate allocation is not the result of actions by OJP. OJP is following the required process for allocating Byrne Grant funds and is not able to alter the allocations for Illinois. However, in addition to not meeting the fair and reasonable requirements of the Recovery Act, we do not believe that this issue is transparent to the public. One of the five crucial accountability objectives is that the recipients and uses of all funds are transparent to the public, and the public benefits of these funds are reported clearly, accurately, and in a timely manner.

The Department of Justice created a website (www.usdoj.gov/recovery/) that provides Recovery Act information and links to component agency Recovery Act websites. The Department of Justice website provides overall

information regarding Recovery Act funding for the Department, including OJP funding, but does not contain specific funding information related to OJP's JAG Program formula funding. Instead, the Department website provides a link to OJP's Recovery Act funding website (www.ojp.usdoj.gov/recovery/). We reviewed OJP's website, which contains links to the actual allocations (www.ojp.usdoj.gov/BJA/recoveryJAG/recoveryallocations.html) made to the state and local governments for the formula grants, but to determine that the state of Illinois has a disproportionately low number of local governments eligible for direct funding, a reader must open a link for each of the 56 state or territorial governments, count the number of local governments eligible for direct funding, and compare the number of local governments receiving allocations for each comparably sized state.

We believe that OJP should revise the Byrne JAG Program formula funding information for the state of Illinois contained at its website www.ojp.usdoj.gov/BJA/recoveryJAG/recoveryallocations.html to make it clear to the public that the allocation of direct funding to Illinois local governments differs significantly from that for other states, and to provide details to explain why the local allocations in Illinois are so different.

Please advise us of the actions you intend to take regarding the issues discussed in this memorandum within 30 days. If you would like to discuss the memorandum, you may contact me on (202) 616-4633 or Ferris B. Polk, Regional Audit Manager, Atlanta Regional Audit Office, on (404) 331-5928.

cc: LeToya A. Johnson
Deputy Director
Audit and Review Division
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Office of Justice Programs

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U.S. Department of Justice

Office of Justice Programs


Office of the Assistant Attorney General

Washington, D.C. 20531

MAY 14 2009

MEMORANDUM TO: Glenn A. Fine
Inspector General

THROUGH: Raymond J. Beaudet
Assistant Inspector General for Audit

FROM: Laurie O. Robinson 
Acting Assistant Attorney General

SUBJECT: Office of Justice Programs' Response to Management
Advisory Memorandum, "*Bureau of Justice Assistance
Grant Allocations of Recovery Act Funds to Local
Municipalities in the State of Illinois*"

This memorandum provides the Office of Justice Programs' (OJP's) response to correspondence from the Office of the Inspector General (OIG) dated April 9, 2009, regarding grant allocations of Recovery Act funds awarded under the Byrne Justice Assistance Grant (Byrne JAG) Formula Program. The correspondence notes that "the disparate local distribution in Illinois does not meet the Recovery Act objective of being fair and reasonable..."¹ In addition, the OIG believes that this issue is not transparent to the public.

To address this issue, the OIG recommended that the OJP revise its website to provide details to explain why the Byrne JAG funding allocations to Illinois local governments differ significantly from that for other states. The Office of Justice Programs has updated its website at <http://www.ojp.usdoj.gov/BJA/recoveryJAG/recjag/IL.xls>, presenting additional information to clarify the allocation of direct funding to Illinois local governments and explain the differences in relation to other state allocations. The following language is included as part of the Illinois allocation spreadsheet posted on the website:

To be eligible for funding from the Bureau of Justice Assistance (BJA) under the Recovery Act Byrne JAG Formula Program, the federal statute requires that local governments must have reported at least 3 years of violent crime statistics during the last 10 years directly to the FBI's UCR program. For such crime data to be included in the

¹ Because most local governments within Illinois are not reporting crime data to the Uniform Crime Reporting program, these local governments are not eligible to receive direct funding from the Byrne JAG program. Instead, the total amount allocated to direct funding is split among only seven jurisdictions, and as a result, those seven jurisdictions may receive a disproportionately large amount of Byrne JAG funding.

UCR program, it must conform to established FBI methodological rules and reporting standards. In the State of Illinois, most local governments report crime directly to the Illinois State Police rather than the FBI. In addition, most of the agencies in the State use a counting method for recording crime data that differs from the method required by the FBI (i.e., the "hierarchy rule"). There were only seven jurisdictions in Illinois submitting crime statistics directly to the FBI during the ten-year time period which complied with the established UCR counting standards. These were the only Illinois data available from the FBI for use in calculating the formula allocations to determine direct Byrne JAG awards and as such, only these units of local government were eligible for a direct award from BJA under the Recovery Act JAG Formula Program.

We appreciate your feedback. If you have any questions regarding this response, please feel free to contact me on 202-307-5933, or LeToya Johnson, Deputy Director, Audit and Review Division, Office of Audit, Assessment, and Management.

cc: Beth McGarry
Deputy Assistant Attorney General
for Operations and Management

James Burch, II
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