



Audit of the Office of Justice Programs Grant  
Awarded to the Pinellas Ex-Offender  
Re-Entry Coalition, Inc.,  
Clearwater, Florida



AUDIT DIVISION

22-083

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**JUNE 2022**

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# EXECUTIVE SUMMARY

## **Audit of the Office of Justice Programs Grant Awarded to the Pinellas Ex-Offender Re-Entry Coalition, Inc., Clearwater, Florida**

### **Objectives**

The Office of Justice Programs' (OJP) Bureau of Justice Assistance awarded the Pinellas Ex-Offender Re-Entry Coalition, Inc. (PERC) one grant totaling \$1,000,000 under the Second Chance Act program grants. The objectives of this audit were to determine whether costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the award; and to determine whether the grantee demonstrated adequate progress towards achieving program goals and objectives.

### **Results in Brief**

As a result of our audit, we concluded that the PERC generally adhered to the grant requirements that we tested. This audit did not identify significant concerns regarding the PERC's program performance and accomplishments, grant financial management, grant expenditures, budget management and control, drawdowns, and federal financial reports. However, we identified concerns with the PERC's grant management practices for reporting performance measures to OJP. We also found that improvements could be made with recording grant expenditures in its accounting records.

### **Recommendations**

Our report contains three recommendations for OJP. We requested a response to our draft report from the PERC and OJP, which can be found in Appendices 2 and 3, respectively. Our analysis of those responses is included in Appendix 4.

### **Audit Results**

The purpose of the OJP grant we reviewed was to develop and implement a comprehensive and collaborative program that reduces recidivism for adult reentrants at high risk of reoffending, through employment and career advancement. The project period for the grant is from October 1, 2018, through September 30, 2022. The PERC drew down a cumulative amount of \$836,765 for the grant we reviewed.

#### **Program Goals and Accomplishments**

The PERC demonstrated adequate progress toward achieving the grant's goals and objectives. However, we were unable to determine if the PERC was on track to accomplish the overall goal to reduce recidivism because participant interventions were limited due to COVID-19.

#### **Required Performance Reports**

The two most recent progress reports tested were not accurate. The PERC's progress reports contained inaccurate data for four of the eight performance measures we reviewed. Specifically, three progress reports reflected understated data and one report included overstated data.

#### **Grant Financial Management**

The PERC's accounting records did not always accurately reflect the grant's financial activity. We also found that the PERC did not have procedures to ensure that expenditures are properly recorded in its accounting records.

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## Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of one grant awarded by the Office of Justice Programs' (OJP) Bureau of Justice Assistance (BJA) under the Second Chance Act to the Pinellas Ex-Offender Re-Entry Coalition (PERC) in Clearwater, Florida. The PERC was awarded one grant totaling \$1,000,000, as shown in Table 1.

**Table 1**

### **Grant Awarded to the Pinellas Ex-Offender Re-Entry Coalition**

<b>Award Number</b>	<b>Program Office</b>	<b>Award Date</b>	<b>Project Period Start Date</b>	<b>Project Period End Date</b>	<b>Award Amount</b>
2018-CY-BX-0122	BJA	09/26/2018	10/01/2018	09/30/2022	\$1,000,000
<b>Total:</b>					<b>\$1,000,000</b>

Source: Bureau of Justice Assistance

The Second Chance Act grant funding is designed to help communities develop and implement comprehensive and collaborative strategies that address the challenges posed by reentry and recidivism reduction. The Second Chance Act Comprehensive Community-Based Adult Reentry Program supports organizations providing comprehensive reentry services to program participants who are screened, assessed, and identified for program participation prior to their release.

## The Grantee

The PERC was established to address the needs of ex-offenders transitioning from incarceration back into society. The PERC assists ex-offenders with identifying employment, transportation, and temporary housing. The PERC's mission is to help an offender become and remain an ex-offender; reunite them with family and provide education, programming, and comprehensive service delivery and referral. The PERC partners with local and state law enforcement agencies to identify and recruit potential program participants and match service needs. Through its Reentering Employee Access to Careers and Hiring program, the PERC works to lower recidivism by providing pre and post release services and comprehensive case management, housing, employment development, and job placement.

## OIG Audit Approach

The objectives of this audit were to determine whether costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; and to determine whether the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports.

We tested compliance with what we consider to be the most important conditions of the grant. The DOJ Grants Financial Guide and the award documents contain the primary criteria we applied during the audit.

The results of our analysis are discussed in detail later in this report. Appendix 1 contains additional information on this audit's objectives, scope, and methodology.

# **Audit Results**

## **Program Performance and Accomplishments**

We reviewed required performance reports, grant solicitation and grant documentation, and interviewed grantee officials to determine whether the PERC demonstrated adequate progress towards achievement of the program goals and objectives. We also reviewed progress reports to determine if the required reports were accurate. Finally, we reviewed the PERC's compliance with the special conditions identified in the award documentation.

## **Program Goals and Objectives**

In September 2018, BJA awarded Grant Number 2018-CY-BX-0122 to the PERC to develop and implement comprehensive and collaborative programs that reduce recidivism for adult reentrants at high risk of reoffending through employment and career advancement. In its application, the PERC stated that it planned to: (1) expand and enhance adult reentry program operations and service delivery, (2) develop a plan to recruit and train mentors, (3) increase collaboration between community organizations and law enforcement, and (4) develop comprehensive case management plans that address criminogenic risks and needs. We tested the PERC's accomplishment of objectives for the recruitment and training of mentors, collaboration between community and law enforcement, and delivery of services and programs to reduce recidivism. We found that the PERC demonstrated adequate progress toward achieving these objectives.

We tested the PERC's accomplishment of objectives pertaining to the total number of mentors, matches made between program participants and mentors, total participants enrolled in the mentoring program and new participants admitted to the mentoring program. We found that the PERC made adequate progress on these objectives. However, we were unable to determine if the PERC was on track to accomplish the overall goal to reduce recidivism. The PERC uses an assessment tool to identify and target medium to high-risk adult felony offenders with a high-risk of recidivism. While the participants are incarcerated, they are assessed for trauma, substance abuse disorder, and co-occurring disorders. The results of the assessments are used to match pre-release and post-release services received by the offender. PERC officials told us they were unable to perform these assessments from March 2020 through April 2022 because the local jail was closed due to the COVID-19 pandemic. Therefore, the PERC was unable to offer pre-release assessments or services. However, a PERC official told us that in February 2021, it began working with a local law enforcement agency and a pre-release center to develop a new pre-release program that will assess recidivism annually.

The official further explained the PERC plans to report the data in subsequent performance reports. Because the PERC could not provide evidence of whether the intended outcome for reduced recidivism was achieved, we recommend that OJP ensures that the PERC develops and implements measures based on its assessment of recidivism risk.

## **Required Performance Reports**

According to the DOJ Grants Financial Guide, the funding recipient should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in

the program solicitation. In order to verify the information in the progress reports, we selected a sample of four performance measures from the two most recent reports submitted for the grant for a total sample size of eight. We then traced the items to supporting documentation maintained by the PERC. Our results are presented in Table 2.

**Table 2**

**Performance Measures Reviewed for Grant Number 2018-CY-BX-0122  
October 1, 2020 to March 31, 2021**

Performance Measure	Reporting Period	Number Reported	Number Supported	Difference
Total number of mentors	October 1, 2020 - December 31, 2020	9	14	-5
New matches made between participants and mentors	October 1, 2020 - December 31, 2020	14	14	-
Total participants enrolled in mentoring program	October 1, 2020 - December 31, 2020	22	22	-
New participants admitted to mentoring program	October 1, 2020 - December 31, 2020	22	22	-
Total number of mentors	January 1, 2021 - March 31, 2021	13	10	3
New matches made between participants and mentors	January 1, 2021 - March 31, 2021	44	44	-
Total participants enrolled in mentoring program	January 1, 2021 - March 31, 2021	38	44	-6
New participants admitted to mentoring program	January 1, 2021 - March 31, 2021	38	44	-6

Source: OJP and the PERC

As shown in Table 2, the PERC progress reports we reviewed contained understated totals for the number of mentors and participants enrolled in the mentoring program and new participants admitted to the mentoring program. One of the reports also included an overstated number of mentors in the program. The official attributed the misreported numbers to an internal mistake. Given these discrepancies, we recommend OJP ensure that the PERC develops and implements procedures to ensure that each progress report contains accurate information supported by verifiable documentation.

### Compliance with Special Conditions

Special conditions are the terms and conditions that are included with the award. We evaluated the special conditions for the grant and selected a judgmental sample of the requirements that are significant to performance under the grant and are not addressed in another section of this report. We evaluated two special conditions for the grant reviewed. We reviewed the requirement for all PERC officials serving as

grant and financial points of contact to complete an OJP financial management and grant administration training, and the requirement to have written procedures to respond in the event of an actual or imminent breach of personally identifiable information.

PERC officials told us they complied with the training requirement for its points of contact to successfully complete an OJP financial management and grant administration training within 120 days after the acceptance of the award. However, the PERC staff was not able to locate the training certificates. During the audit, the PERC developed procedures to ensure its staff complete training within 120 days and maintain the certificates of completion. We found that the PERC complied with the requirement to have written procedures to respond in the event of an actual or imminent breach of personally identifiable information.

## **Subawards**

Grantees may delegate another entity to perform program activities. This delegation is generally considered a subaward. Subrecipients use federal funds to carry out a program for a public purpose. Subrecipient performance is measured in relation to whether objectives of the grant program are met. Grantees must monitor subawards closely and have written monitoring policies and procedures. Subawards often have written agreements or memorandums of understanding with the grantee for the implementation of the grant program activities.

The PERC awarded six subawards totaling \$438,809 to provide independent evaluation and monitoring of its program performance, collaborate to identify program participants and referrals for services, and provide legal services.

## **Performance Monitoring**

The PERC performs routine reviews of all subrecipients either through site visits or through video or phone meetings to verify terms and conditions of all programs are being met. The PERC also performs regular monthly site visits of subgrantees. A checklist is used to ensure that services were rendered before reimbursements are made for expenses. PERC officials told us that its staff were only able to conduct remote reviews through video and phone conversations because of restrictions due to the COVID-19 pandemic. We reviewed supporting monitoring documentation and did not identify any concerns with the PERC's performance monitoring.

## **Financial Monitoring**

At the beginning of the subaward period, the PERC reviews the subrecipient's financial management procedures specific to the administration of the grant funds. Prior to payment, the PERC uses a checklist to compare the subaward budget to the subrecipient's monthly reimbursement requests to determine whether the costs are allowable. The PERC reviews subgrantee reimbursement support and program completion documentation to verify the services performed by the subrecipient. The PERC also consults with program staff to determine whether the reimbursement requests are supported by the services billed by the subrecipient.

The PERC's monitoring procedures allowed for the review of subrecipients' compliance with the goals, terms, and conditions of the grant. We did not identify any concerns with the PERC's efforts to monitor its subgrantees.



## Grant Financial Management

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records and to accurately account for funds awarded to them. To assess the PERC's financial management of the grant covered by this audit, we conducted interviews, examined policies and procedures, and inspected grant documents to determine whether the PERC adequately safeguards the grant funds we audited. We performed testing in the areas that were relevant for the management of this grant, as discussed throughout this report.

The PERC did not meet the threshold to receive an annual audit of its financial statements.<sup>1</sup> We determined that the PERC's grant financial practices could be improved. Financial transactions were not always recorded accurately in the accounting system. This concern is discussed in the Grant Expenditures section of this report.

## Grant Expenditures

For Grant Number 2018-CY-BX-0122, the approved budget included personnel, fringe benefits, travel, supplies and subawards costs. The PERC did not have any matching cost requirements. To determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements, we tested a judgmental sample of 70 transactions totaling \$276,720, which was 55 percent of the total expenditures charged to the grant, including expenditures from each category listed above. We reviewed documentation, accounting records, and performed verification testing related to the grant expenditures for each of the categories. Based on this review, we determined that the grant expenditures reviewed were supported and allowable.

However, we did identify concerns with the PERC's grant management practices for recording grant expenditures. For three instances, the accounting records did not accurately reflect the grant's financial activity. Those instances are explained as follows:

- The PERC used an outside accounting firm to prepare and manage its accounting records and maintained an internal tracking sheet for its grant expenditures. We compared the PERC's accounting records prepared by the outside accounting firm with the PERC's internal tracking sheet and identified grant expenditures totaling \$88,287 that were included in the tracking sheet but not included in the accounting records. A PERC official told us this occurred because the accounting firm used an automated system that did not recognize the accounting codes used for the expenditure categories for cell phones, liability insurance, and data management. As a result, those expenditures were not recorded in the accounting records prepared by the outside accounting firm. Prior to our testing of grant expenditures, corrective action was taken by the PERC to include the missing expenditures.

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<sup>1</sup> The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of its financial statements and federal expenditures. Under 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), such entities that expend \$750,000 or more in federal funds within the entity's fiscal year must have a "single audit" performed annually covering all federal funds expended that year.

- Two cashed checks were not recorded accurately in the accounting records. For one check, the check number was incorrect, and for another check the amount was incorrect. A PERC official told us that sometimes errors occur when multiple checks are recorded. For the second check, the official told us a vendor received two separate checks as payment for services. The vendor never cashed the checks and both checks were returned to the PERC. The PERC later provided the vendor another check for the total of the original submitted checks.

Based on these concerns, we recommend that OJP ensures that the PERC develops and implements procedures to ensure that expenditures are properly recorded in the accounting records.

## **Budget Management and Control**

According to the DOJ Grants Financial Guide, the recipient is responsible for establishing and maintaining an adequate accounting system, which includes the ability to compare actual expenditures or outlays with budgeted amounts for each award. Additionally, the grant recipient must initiate a Grant Adjustment Modification for a budget modification that reallocates funds among budget categories if the proposed cumulative change is greater than 10 percent of the total award amount.

We compared grant expenditures to the approved budgets to determine whether the PERC transferred funds among budget categories in excess of 10 percent. We determined that the cumulative difference between category expenditures and approved budget categories totals was not greater than 10 percent.

## **Drawdowns**

According to the DOJ Grants Financial Guide, an adequate accounting system should be established to maintain documentation to support all receipts of federal funds. If, at the end of the grant award, recipients have drawn down funds in excess of federal expenditures, unused funds must be returned to the awarding agency. Drawdowns are prepared on a reimbursement basis. The drawdown amounts are based on total grant expenditures recorded in the accounting records. As of March 31, 2022, the PERC requested and received payments for 29 drawdowns totaling \$836,765, for Grant Number 2018-CY-BX-0122. To assess whether the PERC managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records. We did not identify significant concerns with the process for developing the drawdown requests.

## **Federal Financial Reports**

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each federal financial report (FFR) as well as cumulative expenditures. To determine whether the PERC submitted accurate FFRs, we compared the four most recent reports to the PERC's accounting records for Grant Number 2018-CY-BX-0122.

We found that the cumulative expenditures reported in the PERC's FFRs did not match the PERC's accounting records for Grant Number 2018-CY-BX-0122. PERC officials told us that this occurred because \$88,287 in grant expenditures were not recorded in the accounting records. The PERC corrected the

accounting records and reported the cumulative expenditures in a subsequent reporting period. Because the PERC took corrective action during the audit, we do not make a recommendation for this instance.

## **Conclusion and Recommendations**

As a result of our audit testing, we concluded that the PERC generally managed the grant that we reviewed appropriately and demonstrated adequate progress towards achieving the grant's stated goals and objectives. We were unable to determine if the PERC was on track to accomplish the overall goal to reduce recidivism due to limited participant interventions due to the COVID-19 pandemic. The PERC could not provide evidence of whether the intended outcomes were achieved. We found that all tested expenditures were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and the terms and conditions of the grants. Additionally, the PERC's subgrantee monitoring activities as implemented appear to provide reasonable assurance that its subrecipients complied with the goals, terms, and conditions of the grants. We provide three recommendations to the PERC to address these deficiencies.

We recommend that OJP:

1. Ensure that the PERC develops and implements measures based on its assessment of recidivism risk.
2. Ensure that the PERC develops and implements procedures to ensure that each progress report contains accurate information supported by verifiable documentation.
3. Ensure that the PERC develops and implements procedures to ensure that expenditures are properly recorded in the accounting records.

# **APPENDIX 1: Objectives, Scope, and Methodology**

## **Objectives**

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; and to determine whether the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports.

## **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.

This was an audit of Bureau of Justice Assistance grant awarded to the Pinellas Ex-Offender Re-Entry Coalition (PERC) under the Second Chance Act Reentry Initiative. The PERC was awarded \$1,000,000 under Grant Number 2018-CY-BX-0122, and as of March 31, 2022, had drawn down \$836,765 of the total grant funds awarded. Our audit concentrated on, but was not limited to October 1, 2018, the award date for Grant Number 2018-CY-BX-0122, through April 2022, the last day of our audit work. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner. The project end date for the grant is September 30, 2022, and funds were not fully expended for the grant as of the last day of our audit work.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of the PERC's activities related to the audited grants. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, financial reports, progress reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grant reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The DOJ Grants Financial Guide and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from DOJ's JustGrants as well as the PERC's accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole therefore any findings identified involving information from those systems were verified with documentation from other sources.

## **Internal Controls**

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of the PERC to provide assurance on its internal control structure

as a whole. PERC management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. section 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because we do not express an opinion on the PERC's internal control structure as a whole, we offer this statement solely for the information and use of the PERC and OJP.<sup>2</sup>

The scope of our internal control testing included a review of internal control principles related to the PERC's control environment, control activities, and information and communication. We reviewed the established policies and procedures for grant management and examined how the PERC used its accounting system to manage DOJ grant funds. We assessed the implementation of these internal controls and did not identify deficiencies that we believe could affect the PERC's ability to ensure compliance with laws and regulations. However, because our review was limited to those internal control components and underlying principles that we found significant to the audit objectives, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

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<sup>2</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

## APPENDIX 2: The Pinellas Ex-Offender Re-Entry Coalition's Response to the Draft Audit Report

# PERC



Phone: (855) 505-7372  
Fax: (727) 600-8096  
Email: [info@exoffender.org](mailto:info@exoffender.org)  
FEIN: 59-3643636; 501c3 Tax Exempt Designation  
Florida Solicitation of Contributions #CH21771

May 9, 2022

Allen Wood  
Regional Audit Manager  
Atlanta Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
75 Ted Turner Drive, Suite 1130  
Atlanta, Georgia 30303

Dear Mr. Wood:

Please find the recommendations and the responses from PERC as outlined in the draft audit report:

**1. Ensure that the PERC develop and implement measures based on its assessment of recidivism risk.**

PERC Concurs with this recommendation. Compliance or non-compliance is not the issue; rather the issue has to do with timing and timelines as approved in the planning and implementation guide for the program, and timing of the reports reviewed during the audit due to constraints of the COVID-19 pandemic. The reports audited had not reached the 12-month period for review during the audit, due to a shift in programming related to lack of access to offenders, pre-release. We are tracking this and do have a tracking mechanism in place that will be reflected in our final report on the program to OJP, due 12/31/2022 and anticipate finding a way to report beyond this period as possible to OJP to have a more complete picture of the project beyond a no cost extension period.

**2. Ensure that the PERC develops and implements procedures to ensure that each progress report contains accurate information supported by verifiable documentation.**

PERC Concurs with this recommendation. PERC has policies and procedures to ensure that each progress report contains accurate information supported by verifiable documentation. The issues with differences in data as reported are not due to inaccurate information, rather the way questions are asked and answered in the grant performance management system led to confusion that made numbers appear different. For example, questions that ask for TOTAL clients were interpreted to be different from NEW clients in specific reporting periods and led to the discrepancies as outlined. Working with the program auditor in the review of this data we gained better clarity and have already adjusted how specific reporting is done and will work with OJP for any future reporting periods to ensure accuracy.

**3. Ensure that PERC develops and implements procedures to ensure that expenditures are properly recorded in the accounting records.**

PERC Concurs with this recommendation. Specific to the audit report and the recommendation, as stated in the report, these expenditures were recorded in both our tracking sheet and accounting records, however the accounting codes needed to be added specific to this set of transactions. Additionally, and also as stated in the report, this has been corrected and is accounted for accurately.

If you require further information, please contact me at 727-656-4989 or email at [mjalazo@exoffender.org](mailto:mjalazo@exoffender.org).

Sincerely,



Michael Jalazo  
CEO/Executive Director  
People Empowering and Restoring Communities

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**Pinellas County Locations**

12810 US HWY 19 N		Clearwater, FL 33764
1601 16 <sup>th</sup> Street South		St. Petersburg, FL 33705
1200 South Pinellas Avenue	Suite 8	Tarpon Springs, FL 34698



## APPENDIX 3: The Office of Justice Programs' Response to the Draft Audit Report



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

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Washington, D.C. 20531

May 17, 2022

MEMORANDUM TO: B. Allen Wood  
Regional Audit Manager  
Atlanta Regional Audit Office  
Office of the Inspector General

FROM: Ralph E. Martin  
Director *Ralph E. Martin*

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Grants Awarded to the Pinellas Ex-Offender Re-entry Coalition, Inc., Clearwater, Florida*

This memorandum is in reference to your correspondence, dated April 22, 2022, transmitting the above-referenced draft audit report for the Pinellas Ex-Offender Re-entry Coalition, Inc. (PERC). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **three** recommendations and no questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

**1. We recommend that OJP ensure that the PERC develop and implement measures based on its assessment of recidivism risk.**

OJP agrees with this recommendation. In its response, dated May 9, 2022, PERC stated that compliance, or non-compliance, was not the issue; rather the issue had to do with timing and timelines as approved in the planning and implementation guide for the program, due to constraints of the COVID-19 pandemic. PERC further stated that it would have a tracking mechanism in place, that will be reflected in their final report on the program, which is due to OJP by December 31, 2022.

Accordingly, we will coordinate with PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that program goals and measures are based on its assessment of recidivism risk.

2. **We recommend that OJP ensure that the PERC develops and implements procedures to ensure that each progress report contains accurate information supported by verifiable documentation.**

OJP agrees with this recommendation. In its response, dated May 9, 2022, PERC stated that it has policies and procedures in place to ensure that each progress report contains accurate information supported by verifiable documentation. PERC also stated that the issues with differences in data as reported, were not due to inaccurate information, rather the way questions are asked and answered in the grant performance management system, which led to confusion that made numbers appear different. PERC indicated that it has already adjusted how specific reporting is done, and will work with OJP for any future reporting periods to ensure accuracy of the data.

Accordingly, we will coordinate with PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that future progress reports contain accurate information supported by verifiable documentation, and the documentation will be maintained for future auditing purposes.

3. **We recommend that OJP ensure that PERC develops and implements procedures to ensure that expenditures are properly recorded in the accounting records.**

OJP agrees with this recommendation. In its response, dated May 9, 2022, PERC stated that expenditures were recorded in both the tracking sheet and accounting records, but that the accounting codes needed to be added specific to this set of transactions. PERC further stated that the expenditures have been corrected and have been accounted for accurately.

Accordingly, we will coordinate with PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that expenditures charged to Federal awards are properly recorded in their grant accounting records.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

Attachment

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

LeToya A. Johnson  
Senior Advisor  
Office of the Assistant Attorney General

cc: Jeffery A. Haley  
Deputy Director, Audit and Review Division  
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Louise Duhamel  
Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

OJP Executive Secretariat  
Control Number IT20220425085415

## **APPENDIX 4: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report**

The OIG provided a draft of this audit report to the Office of Justice Programs (OJP) and the Pinellas Ex-Offender Re-Entry Coalition (PERC). The PERC response is incorporated in Appendix 2 and the OJP response is incorporated in Appendix 3 of this final report. In response to our draft audit report, the OJP agreed with our recommendations, and as a result, the status of the audit report is resolved. The PERC also concurred with all recommendations. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

### **Recommendations for OJP:**

#### **1. Ensure that the PERC develops and implements measures on its assessment of recidivism risk.**

Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with the PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that program goals and measures are based on its assessment of recidivism risk.

The PERC concurred with our recommendation and stated in its response that the report's concerns were caused by the timing of the program's approved planning and implementation guide and the reports reviewed included activities that were impacted by the COVID-19 pandemic. The PERC also stated that it has a tracking mechanism in place that will be reflected in its final program report due to OJP on December 31, 2022. The PERC further stated that, if possible, it plans to determine how to report beyond this period to provide a complete picture of the project.

This recommendation can be closed when we receive documentation to support measures, developed and implemented, for assessing recidivism risk.

#### **2. Ensure that the PERC develops and implements procedures to ensure that each progress report contains accurate information supported by verifiable documentation.**

Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with the PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that future progress reports contain accurate information supported by verifiable documentation, and the documentation will be maintained for future auditing purposes.

The PERC concurred with our recommendation and stated in its response that it has policies and procedures to ensure that each progress report contains accurate information. The PERC stated it was not clear on how some questions in the grant performance management system should be answered. However, during the audit, it received clarity and worked to adjust how specific reporting is done. The PERC also stated it will work with OJP to ensure future reports are accurate.

This recommendation can be closed when we receive documentation to support written policies and procedures, developed and implemented, to ensure that each progress report contains accurate information supported by verifiable documentation.

**3. Ensure that the PERC develops and implements procedures to ensure that expenditures are properly recorded in the accounting records.**

Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with the PERC to obtain a copy of their written policies and procedures, developed and implemented, to ensure that expenditures charged to federal awards are properly recorded in their grant accounting records.

The PERC concurred with our recommendation and stated in its response that the expenditures were recorded in both the tracking sheet and accounting records, but that accounting codes needed to be added specific to this set of transactions. The PERC also stated that corrective action had been taken.

This recommendation can be closed when we receive documentation to support written policies and procedures, developed and implemented, to ensure that expenditures charged to federal awards are properly recorded in their grant accounting records.