



Audit of the Office of Justice Programs
Office of Juvenile Justice and Delinquency Prevention
National Mentoring Programs Grants Awarded to
YouthBuild Global, Inc.,
Roxbury, Massachusetts



AUDIT DIVISION

25-073

AUGUST 2025



EXECUTIVE SUMMARY

Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention National Mentoring Programs Grants Awarded to YouthBuild Global, Inc., Roxbury, Massachusetts

Objectives

The Office of Justice Programs (OJP) Office of Juvenile Justice and Delinquency Prevention awarded YouthBuild Global, Inc. (YouthBuild) two grants totaling \$6,680,000 for the National Mentoring Programs. 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 award; and to determine whether YouthBuild demonstrated adequate progress towards achieving program goals and objectives.

Results in Brief

As a result of our audit, we concluded that YouthBuild generally complied with the grant requirements we tested and demonstrated adequate progress towards the grants' stated goals and objectives. However, we found YouthBuild did not comply with essential award requirements related to two special conditions, subrecipient monitoring, and procurement-related policies and procedures.

Recommendations

Our report contains five recommendations for OJP. We requested a response to our draft audit report from YouthBuild and OJP officials. Their responses can be found in Appendices 2 and 3, respectively. Our analysis of those responses can be found in Appendix 4.

Audit Results

The purpose of the two grants we reviewed was to enhance and expand mentoring services for children and youth who are at risk or high risk for juvenile delinquency, victimization, and juvenile justice system involvement. The project period for the grants was from October 2019 through September 2026. As of January 2025, YouthBuild had drawn down a cumulative amount of \$3,739,636 for the two grants we reviewed.

Breach of Personally Identifiable Information

We found YouthBuild's written policies and procedures for personally identifiable information (PII) lacked specific reporting procedures for an actual or imminent breach of PII, as required by a special condition for the grants.

Subrecipient Monitoring

We found YouthBuild did not adequately monitor its subrecipients' compliance with a special condition to ensure background checks for its mentors were completed prior to interactions with minors. We also found YouthBuild did not reconcile its subrecipients' performance data to source documentation and did not provide documentation to demonstrate whether corrective actions were resolved and closed as a result of its monitoring efforts.

Procurement Policies and Procedures

We found YouthBuild lacked adequate procurement policies and procedures related to potential conflict of interest, sole source, and price reasonableness.

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Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of two grants awarded by the Office of Justice Programs (OJP) Office of Juvenile Justice and Delinquency Prevention (OJJDP) under the National Mentoring Programs to YouthBuild Global, Inc. (YouthBuild), located in Roxbury, Massachusetts.¹ YouthBuild was awarded two grants totaling \$6,680,000, as shown in Table 1.

Table 1
Grants Awarded to YouthBuild

Award Number	Program Office	Award Date	Project Period Start Date	Project Period End Date	Award Amount
2019-JU-FX-0005	OJJDP	09/19/2019	10/01/2019	09/30/2023	\$3,680,000
15PJDP-23-GG-00855-MENT	OJJDP	09/14/2023	10/01/2023	09/30/2026	\$3,000,000
Total:					\$6,680,000

Source: JustGrants

Note: For Grant 2019-JU-FX-0005, YouthBuild received a one-year no cost extension to its project period.

The National Mentoring Programs are intended to expand mentoring services for children and youth who are at risk or high risk for juvenile delinquency, victimization, and juvenile justice system involvement.² According to OJP's Mentoring Practice Profile, mentoring has been shown to improve academic performance as well as social or job skills, support behavioral or other personal development, and reduce consumption of alcohol and other drugs. OJP awarded YouthBuild the grants to provide juvenile mentoring programs in multiple states.

To provide mentoring programs, YouthBuild funded 25 subawards to locations in 18 states with its 2019 award and selected 16 subawards located in 12 states with the 2023 award. YouthBuild budgeted 76 percent of the awards to fund subrecipients and used the remaining amount for personnel, fringe benefits, consultants, and subrecipient monitoring.

The Grantee

YouthBuild is a non-profit organization that was founded in 1978 in East Harlem, New York. According to its historic documentation, YouthBuild started as a movement for young people to take back and renovate

¹ YouthBuild International changed its name to YouthBuild Global, Inc., in 2024.

² Although the names for the award solicitations have changed, the grants were awarded under the same Assistance Listing Number, formerly Catalog of Federal Domestic Assistance number, 16.726–Juvenile Mentoring Program—and covered the same grant purpose. Award Number 2019-JU-FX-0003 was awarded under the title of fiscal year 2019 Mentoring Opportunities for Youth Initiative. Award Number 15PJDP-23-GG-00855-MENT was awarded under the title of fiscal year 2023 National Mentoring Programs.

buildings from drug dealers and eliminate crime and has grown to a network of more than 320 programs that impact thousands of young people around the world with positive youth development, education, workforce readiness, and career training.

OIG Audit Approach

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 YouthBuild demonstrated adequate progress towards achieving 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 considered to be the most important conditions of the grants. The DOJ Grants Financial Guide; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); 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

To determine whether YouthBuild demonstrated adequate progress towards achieving its stated program goals and objectives, we reviewed required performance reports, grant solicitations, program narratives, award letters, and interviewed YouthBuild officials. We also reviewed progress reports to determine if the required reports were accurate and supported. Finally, we reviewed YouthBuild's compliance with the special conditions identified in award documentation.

Program Goals and Objectives

The primary goals of both audited grants were to improve outcomes for at-risk youth, such as improved academic performance and reduced school dropout rates, and to reduce negative outcomes, including juvenile delinquency, substance use, and gang participation, through mentoring. The grant program allowed YouthBuild to provide management, monitoring, and training and technical assistance to support 25 subawards in 18 states with its 2019 award and selected 16 subawards located in 12 states with the 2023 award. The purpose of these subawards was to strengthen and enhance YouthBuild programs in managing a formal mentoring program. Through our audit, including on-site observations and review of performance and financial documentation, we determined that YouthBuild engaged subrecipients to provide group and one-on-one mentoring to at-risk youth. Additionally, we found that YouthBuild used its grant funding for personnel, consultants, subrecipient monitoring, and conference attendance.

Based on our review, we determined that YouthBuild, through the work of its subrecipients nationwide, achieved or demonstrated adequate progress to achieve the stated goals and objectives of the grants.

Required Performance and Progress Reports

According to the DOJ Grants Financial Guide, recipients of federal awards should maintain a well-designed and tested system of internal controls. The DOJ Grants Financial Guide further defines internal controls as a process designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) reliability of reporting for internal and external use, and (3) compliance with applicable laws and regulations. In addition, OJP funding recipients are required to collect and report data to demonstrate the results and quality of funded activities to ensure compliance with the Government Performance and Results Act of 1993. OJP uses grantee performance measure data to identify training and technical assistance needs; track award activity and progress toward program goals; revise program designs and implementation strategies; and inform budgets, strategic planning, and funding decisions.

Based on discussions with YouthBuild officials, we determined that YouthBuild's process to collect and report data for required performance and progress reports was adequate; however, we found this process was not documented and was provided to us orally without written policies and procedures. To increase assurance that these reports are accurate and to facilitate review, we determined that YouthBuild's performance reporting policies and procedures should be formalized in writing. Therefore, we recommend that OJP ensure YouthBuild develops and implements written policies for the preparation of performance and progress reports.

In addition, while we found YouthBuild's process to collect and report data for performance reports to be adequate, our audit found that YouthBuild did not document its review of subrecipient performance data to source documentation, as discussed in the [Subrecipient Monitoring](#) section of this report.

Compliance with Special Conditions

Special conditions are terms and conditions that are specific to individual awards and are required to be met to receive award funds. To test YouthBuild's compliance with special conditions, we judgmentally sampled two special conditions that we considered significant but were not addressed in another section of this report. Because the purpose of the grants was to provide mentoring services to children and youth, we selected for evaluation the special conditions that covered breach of personally identifiable information (PII) and background check requirements for individuals working with minors. Overall, we found that YouthBuild could enhance its PII-related policies, discussed immediately below, and subrecipient monitoring policies to ensure individuals with close contact to minors receive and pass required background checks, as discussed in the [Subrecipient Monitoring](#) section of this report.

Breach of PII

The 2019 and 2023 grants to YouthBuild awards were subject to a special condition that required grant recipients to have written procedures in place documenting how it would respond in the event of an actual or imminent breach when a recipient, or its subrecipient, creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of PII within the scope of an OJP grant-funded program or activity. Additionally, the grant recipient's breach procedures must include a requirement to report an actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

We requested YouthBuild's breach of PII procedures and were provided general information security policies that did not include specific reporting procedures for an actual or imminent breach of PII. YouthBuild has a responsibility to safeguard sensitive information and protect the privacy of individuals. In the event of a breach of PII, YouthBuild's lack of procedures puts individuals' sensitive and private information at risk of exposure. As a result, we recommend OJP require YouthBuild to comply with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.

Subrecipient Monitoring

As a direct grant recipient that provided subawards to subrecipients, YouthBuild is considered a pass-through entity. According to the DOJ Grants Financial Guide, pass-through entities must have established written policies on subrecipient monitoring. Additionally, pass-through entities are responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved. In monitoring subrecipients, pass-through entities must: (1) review financial and performance reports submitted by subrecipients, and (2) ensure subrecipients take corrective action on all significant developments that negatively affect the subaward.

To obtain an understanding of YouthBuild's subrecipient monitoring activities, we interviewed relevant staff and reviewed YouthBuild's on-site subrecipient monitoring reports. Based on our review, we did not identify

any significant concerns related to YouthBuild's monitoring of subrecipient compliance with financial-related guidelines. However, we found YouthBuild could improve its monitoring to ensure subrecipients: (1) complete background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) document corrective actions and resolution on all significant developments that negatively affect subawards.

Determination of Suitability

As mentioned earlier, our audit work included testing a sample of special conditions. In the 2019 and 2023 awards, the Determination of Suitability special condition required grant recipients and subrecipients to evaluate the suitability of certain individuals before they interact with participating minors, such as through criminal background and child safety checks obtained from law enforcement agencies. These background checks must be completed prior to any interaction with minors and must be reexamined every 5 years.

We interviewed YouthBuild staff and reviewed YouthBuild's policies and procedures for how it met the Determination of Suitability requirement. We found that YouthBuild informed its subrecipients of this requirement by including all special conditions in its written subaward agreements. However, YouthBuild did not have written policies and procedures to monitor compliance with the grant provision that required mentors to receive background checks prior to having contact with minors. Without adequate monitoring of background checks, participating minors may be put at risk of harm.

Therefore, we recommend OJP ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures to review background checks for individuals with close contact with minors.

Performance Data

OJP required grant recipients with an award start date of fiscal year 2019 and prior to complete OJP's Performance Measurement Tool (PMT) reports and program narrative progress reports. Awards in fiscal year 2020 and forward only required recipients to complete program narrative progress reports. To meet these requirements, for YouthBuild's 2019 grant, subrecipients reported performance data directly into the PMT system and YouthBuild submitted narrative progress reports to OJP. For the 2023 grant, YouthBuild summarized subrecipient performance data in program narrative progress reports.

To ensure subrecipient performance reports were accurate and supported, we selected three performance metrics from the 2019 grant PMT reports for testing. Additionally, we asked YouthBuild officials if subrecipient performance data was verified to source documentation. YouthBuild officials stated that subrecipient performance data was spot checked during monitoring visits; however, we found no evidence of YouthBuild's review of source documentation within its subrecipient monitoring reports. Ensuring performance data is accurate is critical to providing Congress and the public information on a program's effectiveness.

Therefore, we recommend OJP ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures to validate subrecipient performance data to source documentation.

Completion of Monitoring Reports

Although YouthBuild did not have written policies and procedures for subrecipient monitoring, we interviewed staff to understand YouthBuild's monitoring process. YouthBuild officials described to us that as part of its oversight, YouthBuild provides each subrecipient with a completed monitoring report that details the pre-site visit program needs assessment, site visit action plan, and follow-up work plan. For the 2019 grant, YouthBuild had 25 completed subrecipient monitoring reports. We judgmentally selected and reviewed eight subrecipient monitoring reports that contained issues that could negatively impact the subawards.³ We found that six out of the eight monitoring reports contained sections with incomplete information. For three of those reports, we identified areas that would require corrective actions, however there were no details on whether corrective actions were resolved. We asked YouthBuild officials for additional details on whether their corrective action plans were resolved and closed, but we did not receive a response as of the date of issuing our draft report. Without adequate documentation of its monitoring efforts, we could not determine whether all significant developments that negatively affect the subawards have been addressed and corrected.

We recommend OJP ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures, to include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

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 YouthBuild's financial management of the grants covered by this audit, we conducted interviews with financial staff, examined written policies and procedures, and inspected grant documents to determine whether YouthBuild adequately safeguarded the funds we audited. We also reviewed YouthBuild's Single Audit Reports for fiscal years 2022 and 2023 to identify any reported internal control weaknesses and significant non-compliance issues related to federal awards.⁴ Finally, we performed testing in the areas that were relevant for the management of this grant, as discussed throughout this report. Based on our review, we identified areas for improvement related to procurement policies and procedures.

Procurement Policies and Procedures

During our audit, we found YouthBuild charged expenses for seven consultants to the 2019 and 2023 grants. These consultants were used to support YouthBuild's subrecipients with coaching, training and

³ During our audit period, YouthBuild had only selected and funded subrecipients selected under the 2019 award. At the time of our audit, YouthBuild had selected but had not yet funded any subrecipients selected under its 2023 award.

⁴ Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal financial assistance. Under the 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. The single audit threshold changed from \$750,000 to \$1 million in April 2024, when the Office of Management and Budget revised the Uniform Guidance, with the change becoming effective for fiscal periods starting on or after October 1, 2024.

technical assistance, curriculum evaluation, and development of a mentoring match tracking database. We reviewed YouthBuild's procurement policies and practices used to acquire these services. Based on our review, we determined YouthBuild lacked adequate procurement policies related to conflict of interest, sole source, and price reasonableness. We discuss the nature and extent of the concerns below.

Conflict of Interest

The DOJ Grants Financial Guide states that award recipients are required to use federal funds in the best interest of the award program. Decisions related to these funds must be free of undisclosed personal or organizational conflicts of interest, both in fact and in appearance. Additionally, recipients are required to disclose in writing any potential conflict of interest to OJP.

We found that YouthBuild lacked adequate conflict of interest policies and procedures. YouthBuild's policy did not contain guidance for officials and staff to report potential conflicts of interest in fact or appearance, and YouthBuild did not have procedures to obtain assertions from relevant individuals to help ensure no conflicts of interest exist. Without adequate policies and procedures, procurement decisions may not be free from personal or organizational conflicts of interest in both fact and appearance. Therefore, we recommend OJP ensure YouthBuild enhances its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.

Sole Source

According to the Uniform Guidance, the award recipient must maintain records sufficient to detail the history of each procurement transaction. These records must include the rationale for the procurement method, contract type selection, contractor selection or rejection, and the basis for the contract price.

We found YouthBuild used a sole source procurement method to select its consultants and no consultant contracts in our sample exceeded the Simplified Acquisition Threshold (currently \$250,000). Sole source procurements that do not exceed the Simplified Acquisition Threshold must have written justification for the noncompetitive procurement action maintained in the procurement file. YouthBuild officials stated that it documented its justification of using sole source procurement and kept this documentation with the consultants' contracts; however, we did not see evidence of this justification for the consultants in our sample. Therefore, we recommend OJP ensure YouthBuild develops and implements a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required.

Price Reasonableness

The DOJ Grants Financial Guide states that compensation for individual consultant services is to be reasonable and consistent with that paid for similar services in the marketplace. OJP periodically establishes a prior approval threshold consultant rate. The current rate for OJP is \$650 per day or \$81.25 per hour. However, this does not mean that the rate can or should be used for all consultants as it represents the maximum threshold.

We found that YouthBuild did not document its determination that consultant rates were reasonable. YouthBuild officials stated the rate was reasonable based on the consultants' prior experience and price

history. However, when requested, YouthBuild did not provide any documentation of prior experience or price history for these consultants and there was no such documentation in the consultant files. We found YouthBuild lacked adequate procurement policies and procedures specifically related to documenting and maintaining documentation to support reasonableness of non-travel procurement actions. Therefore, we also recommend OJP ensure YouthBuild develops and implements policies and procedures for documenting its price reasonableness determinations.

Grant Expenditures

For the audited grants, YouthBuild's approved budgets included personnel and fringe benefits, consultants, subrecipients, travel, supplies, other expenses, and indirect costs. Between October 1, 2019, and December 14, 2024, YouthBuild expended \$3.618 million for its 2019 grant and recorded \$97,102 in expenditures for its 2023 grant. 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 107 transactions totaling \$273,655. The transactions we reviewed included costs from every budget category. Based on our review, the expenses we tested were accurate, allowable, supported, and in accordance with federal requirements.

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 Award 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 YouthBuild transferred funds among budget categories in excess of 10 percent. We determined that the cumulative difference between category expenditures and approved budget category 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. To assess whether YouthBuild managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records. As of January 2025, YouthBuild's drawdown requests totaled \$3,618,085 for the 2019 grant and \$121,551 for the 2023 grant.⁵ Based on our testing, we found YouthBuild requested drawdowns on a reimbursement basis for both grants. We did not identify significant deficiencies related to YouthBuild's process for developing drawdown requests.

⁵ According to YouthBuild officials, due to limited in-person interaction during the COVID-19 pandemic, \$61,915 was not drawn down by YouthBuild for the 2019 grant and those funds were de-obligated.

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 financial report as well as cumulative expenditures. To determine whether YouthBuild submitted accurate federal financial reports, we compared the most recent reports for the two grants to YouthBuild's accounting records. We determined that quarterly and cumulative expenditures for the reports reviewed matched the accounting records.

Conclusion and Recommendations

Our audit concluded that YouthBuild generally complied with the grant requirements we tested and demonstrated adequate progress toward the grants' stated goals and objectives. However, we found YouthBuild did not comply with essential award requirements related to two special conditions, subrecipient monitoring, and consultant costs. We did not identify significant issues regarding YouthBuild's grant expenditures, budget management, drawdowns, and financial reporting. However, we determined YouthBuild lacked adequate procurement policies and procedures. We provide five recommendations to OJP to address these deficiencies.

We recommend that OJP:

1. Ensure YouthBuild develops and implements written policies for the preparation of performance and progress reports.
2. Require YouthBuild to comply with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.
3. Ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.
4. Ensure YouthBuild enhances its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.
5. Ensure YouthBuild develops and implements: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required and (2) policies and procedures for documenting its price reasonableness determinations.

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 Office of Justice Programs (OJP), Office of Juvenile Justice and Delinquency Prevention grants awarded to YouthBuild Global, Inc. (YouthBuild) under the National Mentoring Programs. As a pass-through entity, YouthBuild received two awards from OJP totaling \$6,680,000. As of January 2025, YouthBuild had drawn down a total of \$3,739,636 from the two audited grants.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of YouthBuild's activities related to the audited grants. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, travel, supplies, consultants, subrecipients, other direct, indirect costs, financial reports, and progress reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants 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; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from DOJ JustGrants system as well as YouthBuild'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 YouthBuild to provide assurance on its internal control structure as a whole. YouthBuild management is responsible for the establishment and maintenance of internal controls in accordance with 2 C.F.R. § 200. Because we do not express an opinion on YouthBuild's internal

control structure as a whole, we offer this statement solely for the information and use of YouthBuild and OJP.⁶

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objective. Specifically, we assessed the design and implementation of YouthBuild's policies and procedures. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

⁶ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: YouthBuild Response to the Draft Audit Report



July 18, 2025

Thomas Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
701 Market Street, Suite 2300
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Subject: Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention National Mentoring Programs Awarded to YouthBuild Global, Inc., Roxbury, Massachusetts (2019-JU-FX-0005 and 15PJDP-23-GG-00855-MENT)

Dear Mr. Puerzer,

YouthBuild Global appreciates the opportunity to respond to the draft audit report on the Audit of the Office of Justice Programs (OJP), Office of Justice and Delinquency Prevention National Mentoring Programs awarded to YouthBuild Global, Inc (2019-JU-FX-0005 and 15PJDP-23-GG-00855-MENT). We thank the U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) for conducting this audit with professionalism and diligence.

YouthBuild Global continues to be committed to meeting a high standard of compliance with federal policies for utilizing federal grant funds. The draft audit report identified administrative findings, where our internal policies and procedures can be strengthened, while also noting YouthBuild Global's success in meeting expectations and outcomes, including the following:

- "YouthBuild, through the work of its subrecipients nationwide, achieved or demonstrated adequate progress to achieve the stated goals and objectives of the grants."
- "We did not identify any significant concerns related to YouthBuild's monitoring of subrecipient compliance with financial-related guidelines."

- "The expenses we tested were accurate, allowable, supported, and in accordance with federal requirements, except for the lack of documented policies mentioned in the recommendations."

Below is YouthBuild Global's response to the recommendations in the audit report.

Recommendation 1. Ensure YouthBuild develops and implements written policies for the preparation of performance and progress reports.

YouthBuild Global agrees with this recommendation. We appreciate the auditor's acknowledgement that, "YouthBuild's process to collect and report data for required performance and progress reports was adequate," focusing the recommendation on documenting that process through written procedures. We will implement written policies for the preparation of performance and progress reports by September 2025.

Recommendation 2. Require YouthBuild to comply with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.

YouthBuild Global agrees with this recommendation, and we are enhancing our information security policies to include procedures on how to respond and report an actual or imminent breach of PII. This policy will include the reporting of an actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach. YouthBuild Global will finalize this policy by September 2025.

Although details are not set forth in this public letter, we believe it important to further convey that YouthBuild Global does maintain cybersecurity controls appropriate to its operations. We will reference those controls in the final policy.

Recommendation 3. Ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

YouthBuild Global agrees with this recommendation. YouthBuild Global, through its coaching and monitoring, has a process to check whether background checks were completed by subgrantees, verified subrecipient data, and

following up on corrective actions, and we appreciate the auditors noting that they did not identify any significant concerns related to YouthBuild's monitoring of subrecipient compliance with financial-related guidelines. However, we concur with the OIG that these processes and policies should be documented in written subrecipient monitoring policies and procedures.

By September 2025, YouthBuild Global will implement policies and procedures to:

- review background checks for individuals with close contact with minors
- validate subrecipient performance data to source documentation
- document corrective actions and resolution on all significant developments that negatively affect the subaward

The policy will also document YouthBuild's approach to review of financial-related aspects of subrecipient monitoring.

Recommendation 4. Ensure YouthBuild enhances its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.

YouthBuild Global agrees with this recommendation and is actively enhancing our conflict of interest policy to include the necessary procedures, including the requirement to disclose in writing any potential conflicts of interest to OJP. We anticipate finalizing and adopting the updated policy by September 2025.

While we acknowledge that our internal policy documentation can and should be strengthened, YouthBuild Global consistently aimed to comply with relevant federal guidance, including 2 CFR §§ 200.112 and 200.318(c), and the DOJ Grants Financial Guide (page 129). These documents informed our review processes for consultant engagements, and in our judgment, no actual or apparent conflicts of interest existed under the DOJ-funded activities reviewed. The forthcoming policy enhancements will more explicitly formalize our procedures to ensure clarity, transparency, and alignment with OJP expectations going forward.

Recommendation 5. Ensure YouthBuild develops and implements: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required and (2) policies and procedures for documenting its price reasonableness determinations.

YouthBuild Global agrees with this recommendation. We concur that the policy can be enhanced in the areas noted by the OIG. We are implementing a process to better document sole source procurement decisions and price reasonableness determinations. This enhanced policy will be finalized by September 2025.

Once again, YouthBuild Global appreciates the opportunity to respond to the draft audit report on the Audit of the Office of Justice Programs (OJP), Office of Justice and Delinquency Prevention National Mentoring Programs. We will work with OJP during the audit resolution phase to demonstrate accomplishment of all corrective actions and provide any other documentation necessary to resolve these recommendations. We are committed to maximizing the impact of OJP funds and strengthening the support and services local YouthBuild programs provide to young people in communities across our country.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Valverde". The signature is fluid and cursive, with the first name "John" and last name "Valverde" clearly distinguishable.

John Valverde
CEO and President
YouthBuild Global

APPENDIX 3: 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

Washington, D.C. 20531

July 29, 2025

MEMORANDUM TO: Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General

FROM: Iyauta I. Green
Director Iyauta Iyeesha Green Digitally signed by Iyauta Iyeesha Green
Date: 2025.07.29 09:04:28 -04'00'

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention National Mentoring Programs, Awarded to YouthBuild Global, Inc., Roxbury, Massachusetts*

This memorandum is in reference to your correspondence, dated June 27, 2025, transmitting the above-referenced draft audit report for YouthBuild Global, Inc. (YouthBuild). YouthBuild received the award funds from the Office of Justice Programs (OJP), Office of Juvenile Justice and Delinquency Prevention, Grant Numbers 2019-JU-FX-0005 and 15PJDP-23-GG-00855-MENT. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains five 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 YouthBuild develops and implements written policies for the preparation of performance and progress reports.**

OJP agrees with this recommendation. In its response, dated July 18, 2025, YouthBuild stated that it will implement written policies for the preparation of performance and progress reports by September 2025.

Accordingly, we will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure that performance and progress reports are accurately prepared, including supervisory review and approval prior to report submission.

2. **We recommend that OJP require YouthBuild to comply with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.**

OJP agrees with this recommendation. In its response, dated July 18, 2025, YouthBuild stated that it is enhancing its information security policies to include procedures on how to respond and report an actual or imminent breach of PII. YouthBuild further stated that this policy will include the reporting of an actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach. YouthBuild also stated that it will finalize this policy by September 2025.

Accordingly, we will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure compliance with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.

3. **We recommend that OJP ensure that YouthBuild develops and implements written subrecipient monitoring policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.**

OJP agrees with this recommendation. In its response, dated July 18, 2025, YouthBuild stated that it has a process to check whether background checks were completed by subgrantees, that they verified subrecipient data, and were following up on corrective actions. However, it concurs with the OIG that these processes and policies should be documented in written subrecipient monitoring policies and procedures. In addition, YouthBuild stated that the policy will also document its approach to review the financial-related aspects of subrecipient monitoring.

Accordingly, we will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure subrecipient monitoring includes procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

-
4. **We recommend that OJP ensure that YouthBuild enhances its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.**

OJP agrees with this recommendation. In its response, dated July 18, 2025, YouthBuild stated that it is actively enhancing its conflict of interest policy to include the necessary procedures, including the requirement to disclose in writing any potential conflicts of interest to OJP. In addition, YouthBuild stated that it anticipates finalizing and adopting the updated policy by September 2025.

Accordingly, we will work with YouthBuild, to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure that its existing conflict of interest policies include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.

5. **We recommend that OJP ensure that YouthBuild develops and implements: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required, and (2) policies and procedures for documenting its price reasonableness determinations.**

OJP agrees with this recommendation. In its response, dated July 18, 2025, YouthBuild stated that it concurs that the policy can be enhanced in the areas noted by the OIG. YouthBuild also stated that it is implementing a process to better document sole source procurement decisions and price reasonableness determinations. In addition, YouthBuild stated that this enhanced policy will be finalized by September 2025.

Accordingly, we will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to include: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required, and (2) policies and procedures for documenting its price reasonableness determinations.

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact me at (202) 820-6807.

cc: Maureen A. Henneberg
Deputy Assistant Attorney General

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

Eileen Garry
Acting Administrator
Office of Juvenile Justice and Delinquency Prevention

cc: Janet Chiancone
Deputy Administrator
Office of Juvenile Justice and Delinquency Prevention

Kellie Blue
Associate Administrator, Intervention Division
Office of Juvenile Justice and Delinquency Prevention

Jennifer Yeh
Deputy Associate Administrator
Office of Juvenile Justice and Delinquency Prevention

Nathanial Kenser
Acting Deputy General Counsel

Phillip Merkle
Acting Director
Office of Communications

Rachel Johnson
Chief Financial Officer

Christal McNeil-Wright
Associate Chief Financial Officer
Grants Financial Management Division
Office of the Chief Financial Officer

Joanne M. Suttington
Associate Chief Financial Officer
Finance, Accounting, and Analysis Division
Office of the Chief Financial Officer

Aida Brumme
Manager, Evaluation and Oversight Branch
Grants Financial Management Division
Office of the Chief Financial Officer

Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

Jorge L. Sosa
Director, Office of Operations – Audit Division
Office of the Inspector General

cc: OJP Executive Secretariat
Control Number OCOM001573

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

The Office of the Inspector General (OIG) provided a draft of this audit report to YouthBuild Global, Inc. (YouthBuild) and the Office of Justice Programs (OJP). YouthBuild's response is incorporated in Appendix 3 and OJP's response is incorporated in Appendix 4 of this final report. In response to our draft audit report, OJP agreed with our recommendations and, as a result, the status of the audit report is resolved. YouthBuild agreed with all of our recommendations. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

Recommendations for OJP:

- 1. Ensure YouthBuild develops and implements written policies for the preparation of performance and progress reports.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure that performance and progress reports are accurately prepared, including supervisory review and approval prior to report submission.

YouthBuild also agreed with the recommendation and stated that it will implement written policies for the preparation of performance and progress reports by September 2025.

This recommendation can be closed when we receive evidence that YouthBuild has developed and implemented written policies for the preparation of performance and progress reports.

- 2. Require YouthBuild to comply with the personally identifiable information (PII)-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure compliance with the PII-related special condition and enhance its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.

YouthBuild also agreed with the recommendation and stated that it is enhancing its information security policies to include procedures on how to respond and report an actual or imminent breach of PII. YouthBuild also stated that this policy will include the reporting of an actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach. YouthBuild stated that it will finalize this policy by September 2025.

This recommendation can be closed when we receive evidence that YouthBuild complied with the PII-related special condition and enhanced its existing information security policies to include procedures on how to respond and report an actual or imminent breach of PII.

3. **Ensure YouthBuild develops and implements written subrecipient monitoring policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure YouthBuild's subrecipient monitoring includes procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

YouthBuild also agreed with the recommendation and stated that by September 2025 it will implement policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

This recommendation can be closed when we receive evidence that YouthBuild developed and implemented written policies and procedures to: (1) review background checks for individuals with close contact with minors, (2) validate subrecipient performance data to source documentation, and (3) include documentation of corrective actions and resolution on all significant developments that negatively affect the subaward.

4. **Ensure YouthBuild enhances its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to ensure that its existing conflict of interest policies include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.

YouthBuild also agreed with the recommendation and stated that it is actively enhancing its conflict of interest policy to include necessary procedures, including the requirement to disclose in writing any potential conflict of interest to OJP. YouthBuild anticipates finalizing and adopting the updated policy by September 2025.

This recommendation can be closed when we receive evidence that YouthBuild has enhanced its existing conflict of interest policies to include the necessary procedures, including satisfying the requirement to disclose in writing any potential conflicts of interest to OJP.

5. **Ensure YouthBuild develops and implements: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required and (2) policies and procedures for documenting its price reasonableness determinations.**

Resolved. OJP agreed with our recommendation. OJP stated in its response that it will work with YouthBuild to obtain a signed copy of its written policies and procedures, developed and implemented, to include: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required, and (2) policies and procedures for documenting its price reasonableness determinations.

YouthBuild also agreed with the recommendation and stated that it is implementing a better process to document sole source procurement decisions and price reasonableness determinations. YouthBuild anticipates the enhanced policy to be finalized by September 2025.

This recommendation can be closed when we receive evidence that YouthBuild has developed and implemented: (1) a control to help ensure that its files contain adequate documentation to support its sole source procurement activities as required, and (2) policies and procedures for documenting its price reasonableness determinations.