



Audit of the Office of Community Oriented Policing Services
Technology and Equipment Program Grants
Awarded to the City of Union City,
Union City, New Jersey



AUDIT DIVISION

26-052

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REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report for proprietary and privacy reasons. One of the redactions is contained in Figure 1 and is the brand name of a product. The other redactions are contained in Appendix 5, the granting agency's response, and are of individuals' names.



EXECUTIVE SUMMARY

Audit of the Office of Community Oriented Policing Services Technology and Equipment Program Grants Awarded to the City of Union City, Union City, New Jersey

Objectives

The Office of Community Oriented Policing Services (COPS Office) awarded City of Union City, New Jersey (Union City) two grants totaling \$2,300,000 under the Technology and Equipment Program (TEP). 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 awards; and to determine whether Union City demonstrated adequate progress towards achieving program goals and objectives.

Results in Brief

As a result of our audit, we concluded that Union City experienced technical issues that compromised the performance of some of the equipment purchased with grant funding. This audit did not identify significant concerns regarding Union City's budget management and control, drawdowns, or Federal Financial Reports. However, we identified unsupported costs totaling over \$1.6 million because Union City did not adequately document its compliance with procurement requirements. We also identified needed improvements to Union City's written procedures for procurement, progress reporting, and property management systems.

Recommendations

Our report contains eight recommendations to the COPS Office. We requested a response to our draft audit report from Union City, Union City Police Department, and the COPS Office, which can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

Audit Results

The purposes of the two COPS Office grants we reviewed were to increase the community policing capacity and crime prevention efforts of law enforcement agencies with equipment and technology. The project period for the grants ranged from March 2022 through March 2026. As of May 2025, Union City drew down a cumulative amount of \$1,642,364 for all of the grants we reviewed.

Program Goals and Accomplishments

We confirmed Union City purchased and installed the grant-funded cameras and other technology. However, we found that a networking issue prevented Union City from receiving the full benefit of cameras acquired with the FY 2022 grant. We also found this issue was not reported in progress reports submitted to the COPS Office.

Procurement Activities

We identified concerns related to Union City's procurement activities, including its use of state of New Jersey contracts and other city contracts. Union City did not provide evidence that its use of those agreements was compliant with federal requirements. As a result, we questioned \$1,696,808 as unsupported. We also found Union City's written procurement procedures were incomplete related to the use of state and city contracts, procurement documentation and record retention, and checking contractors for possible suspension and debarment. We also found Union City did not have a conflict-of-interest policy.

Property Management System

We found that Union City did not have an adequate property management system to track and safeguard equipment purchased with grant funding. In addition, Union City had not completed physical inspections of equipment at least every 2 years as required.

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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 Community Oriented Policing Services (COPS Office) under the COPS Office Technology and Equipment Program (TEP) to City of Union City, New Jersey (Union City). Union City was awarded two grants—one in 2022 and one in 2023—totaling \$2,300,000, as shown in Table 1.¹

Table 1

Grants Awarded to the City of Union City

Award Number	Program Office	Award Date	Project Period Start Date	Project Period End Date ^a	Award Amount
15JCOPS-22-GG-01523-TECP	COPS	09/30/2022	03/15/2022	03/31/2026	\$1,100,000
15JCOPS-23-GG-04420-TECP	COPS	09/26/2023	12/29/2022	12/31/2025	\$1,200,000
Total:					\$2,300,000

^a The end dates displayed reflect extensions granted by the COPS Office.

Source: DOJ JustGrants

Funding through the COPS Office TEP grant program supports state, local, tribal, and other entities to increase community policing capacity and crime prevention efforts of law enforcement agencies with equipment and technology.

The Grantee

Union City is one of the most densely populated cities in the United States with approximately 80,000 residents in the area of 1.3 square miles. The city's finance office managed financial aspects of the grants and the Union City Police Department, as the city's law enforcement agency, was responsible for program performance. The police department, headquartered at City Hall with two satellite precincts has approximately 200 sworn police officers.

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 Union City 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.

¹ Both 2022 and 2023 grants were approved in Congressionally Directed Spending as referenced in House Reports 117-97 and 117-395, respectively.

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. The Schedule of Dollar-Related Findings appears in Appendix 2.

Audit Results

Program Performance and Accomplishments

To determine whether Union City achieved the program goal of its concluded grant and demonstrated adequate progress towards achieving the goal of its ongoing grant, we examined program documents including performance and financial reports, interviewed city officials, and inspected technology and equipment purchased under these grants. We also reviewed the accuracy of the grants' progress reports.

Program Goals and Objectives

The goal for both grants was to develop and acquire effective equipment, technologies, and interoperable communications that assist in responding to and preventing crime.

For the 2022 grant, Union City purchased and installed closed circuit television (CCTV) cameras with wireless radio capabilities to add to its existing CCTV system to enhance public safety through real-time monitoring and aid investigations. While on site with Union City police officers, we inspected examples of the cameras purchased with the grant as shown in the Figure 1.

Additionally, police officers demonstrated for us the city's video management system that allows officers to view live streamed and recorded videos. However, during these demonstrations, we noticed videos from some cameras were not able to be seen. The officers told us that this was due to interference and capacity issues of the wireless network and that Union City has been working on solutions with the vendor. The officers also told us that, related to these technical issues, there have been instances when recordings were unavailable for criminal investigations that occurred near a camera.

While the city acquired equipment as planned, we found the streaming and recording of video from these cameras has not been operating as intended. We believe these problems have compromised Union City's ability to achieve the grant's goal of responding to and preventing crime. We therefore



recommend that the COPS Office work with Union City to help ensure the equipment purchased using 2022 grant funds has been operationalized as expected and determine if additional actions or technical assistance is needed and appropriate under the grant.

For the 2023 grant, we found that Union City purchased surveillance cameras for the police department interview room and garage, mobile data terminals (MDTs) for police vehicles, computer-aided dispatch/record management system software, and miscellaneous computing devices. Figure 1 provides images of some of these items. As part of our inspections, Union City police officers described and demonstrated how these items work in the field. Nothing came to our attention that the 2023 grant-funded equipment was not operating as intended to achieve the goal of the grant.

Required Performance Reports

For the TEP grant program, the COPS Office requires its grantees to submit a standard COPS Office Progress Report. This report asks grantees to provide the status of equipment purchases and grade the impact of the grant but does not require grantees to submit data such as crime statistics or other relevant metrics to measure the impact of these grants.

We reviewed a sample of responses provided by Union City in the most recent progress reports and found that the information provided was accurate.² However, we believe responses to a particular question were incomplete. Specifically, a question in the report required grantees to discuss the status of each goal and include any barriers or challenges they have experienced in implementing the project. We determined that Union City did not include in any progress report the aforementioned problems with CCTV cameras we identified in our assessment of program goals. Officials who prepared these reports told us they did not include this information because they have been working with the vendor to address the issues as necessary.

Because the COPS Office depends on quality information to effectively manage its grantees, we recommend that the COPS Office work with Union City to ensure that Union City prepares and submits progress reports with complete information, including relevant qualitative data, to enable the COPS Office to provide meaningful oversight.

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 financial management of the grants covered by this audit, we conducted interviews with financial staff, assessed policy and procedures, and inspected grant documents to determine whether Union City adequately safeguarded the grant funds we audited.

Based on our assessment, we determined that Union City had an adequate accounting system which allowed it to separately track and prevent commingling of grant funds. However, when we reviewed a listing of expenditures from the system, we identified three equipment purchase transactions under the 2023

² For both the 2022 and 2023 grants, we reviewed the performance reports covering the period of February to July 2025.

grant that were not properly assigned to the correct grant codes. According to a finance department official, this occurred because staff mistakenly coded purchase orders for this COPS grant project when the purchases were in fact associated with a different project using the same vendor. After identifying these issues, we confirmed that Union City made the necessary corrections in its accounting system.

Union City officials told us that these instances of miscoded transactions we identified were not the first time inaccurate information for these grants was discovered. Prior to our audit, both the COPS Office and the Office of Justice Programs (OJP) Office of the Chief Financial Officer (OCFO) separately found that Union City had excess cash-on-hand. According to Union City officials, these issues were caused by prior instances of miscoding transactions to these COPS grants.³ We determined a contributing factor to all the instances of miscoded transactions was a lack of written policies and procedures for reviewing the accuracy of grant-related entries in the accounting system. We therefore recommend that the COPS Office require Union City to develop and implement controls to ensure grant expenditure records are accurate and complete.

We also reviewed the city's Single Audit Reports for fiscal years 2022 through 2024 to identify internal control weaknesses and significant non-compliance issues related to federal awards.⁴ The reports we reviewed did not include any such findings. Finally, we performed testing in the areas that were relevant for the management of this grant, as discussed below and throughout this report.

Grant Expenditures

With its 2022 and 2023 COPS TEP grants, as of July 2025, Union City had purchased law enforcement-related technology and equipment totaling \$772,858 and \$957,332, respectively.

To determine whether costs charged to these grants were allowable and supported, we tested the entire amount of \$1,730,190 spent for both grants as of July 2025. We reviewed the grant budgets, accounting records, supporting documentation, and performed verification testing related to grant expenditures. Based on this testing, we determined that these costs were allowable according to the related grant budgets and were supported by vendor invoices.

However, as detailed below, we identified concerns related to Union City's compliance with procurement requirements when using both state of New Jersey contracts and its own contracts. We also found that Union City's written procurement manual was both incomplete and out of date. Finally, we found that Union City did not have a property management system to track and safeguard grant-funded equipment.

³ The COPS Office found excess cash-on-hand of \$45,000 in August 2024. The city returned the excess funds of \$15,930 in February 2025 as requested by the OCFO and the recommendation was closed.

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 requires recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. The audit is referred to as "single" because it includes all federal financial assistance that the entity has received and expended. Under the Uniform Guidance, such entities that expend \$1,000,000 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. Prior to October 1, 2024, the threshold for single audit requirements was \$750,000.

Non-compliance with Procurement Method Requirements

We determined that Union City opted to “piggyback” or join existing contracts that the state of New Jersey negotiated with various vendors rather than use its own procurement practices to purchase equipment related to the 2023 grant. This equipment included computer-aided dispatch/record management system software, mobile data terminals in vehicles, and miscellaneous computing devices totaling \$923,950.

This type of cooperative purchasing for cities in New Jersey is permissible by state regulations and Union City policies.⁵ According to the Description of Local Government and Public School Cooperative Purchasing Programs in New Jersey, Union City was required to ensure purchases made using a state contract do not differ as to specification, quality, or price from that described in the state contract.

To assess its compliance with the terms and conditions related to these state contracts, we requested documentation from Union City demonstrating how it ensured that the items and prices listed in state procurement documents matched the items purchased. Union City employees were unable to provide us with a copy of the underlying state contracts or evidence of its work to ensure appropriate actions were taken in utilizing these cooperative purchasing methods. In addition, city officials told us that they do not routinely compare the details of the items and prices in the state contract with the same information included in vendor quotes and invoices. We also determined that the city’s procurement policies did not include detailed procedures for staff to obtain copies of the state contract being used or make these types of comparisons.

After we determined that this type of information was not already on hand, we requested that Union City attempt to collect it and provide us with all necessary documentation so we could complete the comparisons ourselves. However, officials told us they made attempts to contact state offices for this information but were not successful.

Because Union City did not have adequate procurement documentation, including the relevant contract documents, and could not demonstrate its compliance with the underlying state contracts, we have determined the related \$923,950 in expenditures is unsupported. We therefore recommend that the COPS Office coordinate with Union City to remedy \$923,950 in unsupported equipment purchases.

In addition to using existing cooperative purchasing contracts negotiated by New Jersey, Union City acquired additional equipment costing \$806,240 and managed these procurement actions itself. This equipment was purchased with funding from both grants and included CCTV system cameras totaling \$772,858. As discussed in the Performance Goals and Accomplishments section of this report, these CCTV system cameras were added to an existing system established prior to the 2022 grant. Union City officials told us the procurement of these additional cameras was not made using competitive bids because the city decided to use the same vendor that installed the part of the system established prior to receiving this COPS Office grant. We asked Union City for the documentation of the earlier procurement so that we could evaluate whether that procurement complied with both Uniform Guidance and Union City procurement

⁵ N.J.S.A. 40A:11-12 provides for the participation of local governments in the Cooperative Purchasing Program administered by the Division of Purchase and Property in the New Jersey Department of the Treasury. This is essentially a Cooperative Pricing Service, through which certain commodities purchased under state contract may also be purchased by local governments.

requirements. We also intended to determine whether the items and prices established in the earlier procurement matched the items and prices purchased with grant funding. However, we were not provided the requested documentation. As a result, we could not confirm that this procurement was executed in compliance with federal requirements under the Uniform Guidance. Therefore, we consider the purchase to be unsupported. We recommend that the COPS Office coordinate with Union City to remedy the unsupported equipment costs of \$772,858.

As demonstrated by our review of Union City's equipment procurements, we found that city's procurement manual did not adequately describe all procurement procedures staff should adhere to and references to state and federal requirements were either missing or out of date. For example, we found that the city's procurement manual did not address, in sufficient detail, steps that staff must complete to ensure procurements comply with applicable requirements and are adequately documented. According to 2 C.F.R. § 200.318(i) grantees 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 believe that Union City's inadequate procurement policies and procedures contributed to the issues we found in the city's procurements. Therefore, we recommend that the COPS Office require Union City to improve its procurement manual to (1) include steps to help ensure all grant-related procurements comply with the Uniform Guidance and (2) ensure the retention of necessary and sufficient records to support that grant procurements are executed in accordance with the Uniform Guidance and state and local requirements.

We also found that the city's written procedures did not address the DOJ Grants Financial Guide requirements to ensure it is not doing business with any debarred or suspended contractors listed in the System for Award Management (SAM) and to maintain conflict of interest policies. Regarding the prohibition on working with debarred or suspended contractors, Union City officials told us that they checked SAM.gov to ensure none of the grant-related contractors were debarred or suspended. However, this check was not documented in the procurement records.⁶

In addition, we determined that Union City did not have conflict of interest policies in place at the time these contracts were awarded and we therefore assessed vendor information, interviewed Union City officials, and reviewed other relevant documentation for indications of potential conflicts of interest. Nothing came to our attention to suggest any conflicts of interest in fact or appearance.

We recommend that the COPS Office require Union City to revise its procurement procedures to (1) document contractor debarment and suspension checks and (2) include and implement standards of conduct covering conflicts of interest as required by the Uniform Guidance.

⁶ We performed our own check and confirmed that the vendors were not listed in sam.gov as suspended or debarred.

Property Management System

We determined that Union City did not have a property management system that complies with grant requirements and has never documented physical inspections of its grant-funded equipment.⁷

According to the DOJ Grants Financial Guide, grantees must maintain property records for equipment, including information technology systems, having a useful life of more than 1 year and a per-unit acquisition cost of \$10,000 or more. These property records must include a description of the property, serial number or other identification number, source of the property (including the federal award identification number), identification of the title holder, acquisition date, cost of the property, percentage of federal agency contribution towards the original purchase, location of the property, use and condition of the property, and disposition data (including the date of disposal and sale price) if applicable. In addition, recipients are required to conduct a physical inventory of the property and the results must be reconciled with the property management system records at least once every 2 years.

Based on our interviews with city officials, we determined that the city did not maintain a property management system that complies with the DOJ Grants Financial Guide and has not identified the grant-funded equipment that should be included in such a system. As part of our expenditure testing, we reviewed purchase orders and invoices that indicated certain items purchased with these grants, such as CCTV camera systems, MDTs, and dispatching software, exceeded the \$10,000 unit threshold and therefore met the definition of equipment to be included in a property management system required by the DOJ Grants Financial Guide.

Although Union City did not meet the property management system requirements, city officials shared with us an annual property report that is prepared by a third-party appraisal company for insurance purposes. We reviewed this report and determined that it did not include the grant-funded items we identified as equipment or provide for all of the required information to demonstrate compliance with DOJ Grants Financial Guide.

To safeguard equipment as defined by the DOJ Grants Financial Guide, we recommend that the COPS Office ensure Union City develops and implements a compliant property management system for grant-funded equipment and a policy to complete required physical inspections at least once every 2 years.

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 (GAM) 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.

⁷ Under the Uniform Guidance and DOJ Grants Financial Guide, equipment means tangible personal property (including information technology systems) having: (1) a useful life of more than 1 year and (2) a per-unit acquisition cost of \$10,000 or greater (or the organization's capitalization policy, if it is less than \$10,000).

We compared grant expenditures to the approved budgets to determine whether Union City 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. As described in the Grant Financial Management section, the COPS Office and OCFO each determined separately that Union City held excess cash-on-hand prior to the initiation of this audit.

To assess whether Union City was managing grant receipts in accordance with federal requirements for this audit, we compared the total amount reimbursed to the total expenditures in the accounting records. As of May 2025, the city's drawdown requests totaled \$692,858 for the 2022 grant and \$949,506 for the 2023 grant and were based on reimbursements for actual expenditures as recorded in the accounting system.

Despite the prior instances of excess cash-on-hand due to the miscoded expenditures described in the Grant Financial Management section of this report, we did not identify significant deficiencies related to the recipient's process for developing drawdown requests. However, we identified deficiencies and questioned costs related to compliance of individual expenditures with grant rules. We addressed those deficiencies in the Grant Expenditures section in this report.

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 Union City submitted accurate FFRs, we compared the total expenditures amounts from two recent reports for each grant to Union City.⁸ We found that although the reports were supported by the accounting system, the amounts were not correct due to the instances of miscoded expenditures described in the Grant Financial Management section of this report. After Union City had corrected for these miscoded expenditures in its accounting system, we determined that the subsequent report submitted was accurate.

⁸ For both the 2022 and 2023 grants, we reviewed the reporting periods of January to March and April to June 2025.

Conclusion and Recommendations

As a result of our audit testing, we conclude that Union City encountered technical issues that prevented it from realizing the maximum benefit from grant-funded equipment purchases and fully achieve its program goals. We also found that Union City did not report these issues to the COPS Office in any progress reports. While we did not identify significant issues regarding Union City's budget management, draw down processing, and federal financial reporting, we found that the city did not adhere to all the grant requirements and federal regulations, resulting in a total of \$1,696,808 in unsupported grant expenditures due to a lack of procurement oversight and documentation. We also identified areas for improvement related to Union City's review process for coding grant-related transactions, written procurement procedures, and property management system. We provide eight recommendations to the COPS Office to address these deficiencies.

We recommend that the COPS Office:

1. Work with Union City to help ensure the equipment purchased using 2022 grant funds has been operationalized as expected and determine if additional actions or technical assistance is needed and appropriate under the grant.
2. Work with Union City to ensure that Union City prepares and submits progress reports with complete information, including relevant qualitative data, to enable the COPS Office to provide meaningful oversight.
3. Require Union City to develop and implement controls to ensure grant expenditure records are accurate and complete.
4. Coordinate with Union City to remedy \$923,950 in unsupported equipment purchases.
5. Coordinate with Union City to remedy the unsupported equipment costs of \$772,858.
6. Require Union City to improve its procurement manual to (1) include steps to help ensure all grant-related procurements comply with the Uniform Guidance and (2) ensure the retention of necessary and sufficient records to support that grant procurements are executed in accordance with the Uniform Guidance and state and local requirements.
7. Require Union City to revise its procurement procedures to (1) document contractor debarment and suspension checks and (2) include and implement standards of conduct covering conflicts of interest as required by the Uniform Guidance.
8. Ensure Union City develops and implements a compliant property management system for grant-funded equipment and a policy to complete physical inspections at least once every 2 years to safeguard equipment as defined by the DOJ Grants Financial Guide.

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 the Office of Community Oriented Policing Services (COPS Office) grants awarded to the City of Union City (Union City) under the COPS Office Technology and Equipment Program (TEP). The COPS Office awarded 15JCOPS-22-GG-01523-TECP grant with the amount of \$1,100,000 and 15JCOPS-23-GG-04420-TECP grant totaling \$1,200,000. As of May 2025, Union City had drawn down \$1,642,364 of the total grant funds awarded. Our audit concentrated on, but was not limited to, the period of March 2022 through July 2025. At the time of our audit, grant number 15JCOPS-23-GG-04420-TECP was completed and grant number 15JCOPS-22-GG-01523-TECP was still ongoing.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of Union City's activities related to the audited grants. We performed sample-based audit testing for grant expenditures including equipment, 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 and DOJ Data Management, Reporting, and Analytics system as well as Union City'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 Union City to provide assurance on its internal control structure as a whole. Union City management is responsible for the establishment and maintenance of internal controls in accordance with OMB Circular A-123, 2 C.F.R. § 200. Because we do not express an opinion on Union City's internal control structure as a whole, we offer this statement solely for the information and use of the Union City and the COPS Office.⁹

We assessed Union City management's design, implementation, and operating effectiveness of relevant internal controls and identified deficiencies that we believe could affect the city's ability to effectively operate, and to ensure compliance with laws and regulations. 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.

⁹ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

APPENDIX 2: Schedule of Dollar-Related Findings

Description	Grant No.	Amount	Page
Questioned Costs:			
Unsupported State Contract Equipment Costs	15JCOPS-23-GG-04420-TECP	\$923,950	6
Unsupported Local Procurement Contract Equipment Costs	15JCOPS-22-GG-01523-TECP	\$772,858	6 - 7
Unsupported Costs		\$1,696,808	
Net Questioned Costs¹⁰		\$1,696,808	
TOTAL DOLLAR-RELATED FINDINGS		<u>\$1,696,808</u>	

¹⁰ **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

APPENDIX 3: City of Union City Response to the Draft Audit Report



Maryury A. Martinetti
Commissioner

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April 1, 2026

United States Department of Justice
Office of the Inspector General
Audit Division

Re: City of Union City, NJ Audit of the Office of COPS Technology & Equipment Program Grants

To whom it may concern,

We are in receipt of the office of the USDOJ Inspector General's audit report of the City of Union City, NJ's COPS grants. Below is our response to each finding that was listed on page 10 of the report.

1 – Operation of Equipment:

It was noted that during the site inspection there was interference and capability issues with the wireless network. The UCPD works closely with the network vendor to assure all cameras are operational. When certain issues occur, the vendor is contacted immediately to rectify the issue.

2 – Progress Reports:

It was noted that the progress reports did not include relevant qualitative data such as any challenges experienced during each quarter. Please note that the UCPD does not experience such challenges on a daily basis and when issues do occur, they are resolved in a timely manner. Therefore, the UCPD did not consider these issues to be challenges so they were not reported on the progress reports.

3 – Internal Control over Grant Records:

Instances of miscoded transactions were found during the audit and lack of written policies and procedures were noted as the reason. Those instances were out of the ordinary and were discovered and rectified prior to the USDOJ audit being performed. We will update our grant internal control procedures to include controls specific to grant expenditures so all records are accurate and complete.

4 & 5 – Unsupported Equipment Purchases and Costs:

It was noted in the audit that the City did not have sufficient support for equipment purchases and costs. The State of New Jersey allows local governments to utilize NJ State Contract Vendors for certain purchases. If a state contract exists for any item(s) the City wants to purchase, we are

allowed to utilize said state contracts without having to bid ourselves. The State of NJ handles all the bidding procedures on behalf of all NJ local governments to make the purchasing of various goods more efficient for each municipality. The items that were purchased with these grant funds were procured using State Contract vendors. We have all the backup for the type of equipment purchased as well as the invoices, purchase orders and signatures required but since the State Contracts are found in the State of NJ website (NJSTART), the City would review the information online. The City will update its purchasing manual to include a procedure for maintaining copies of state contracts on file as well as documenting the review of the state contracts for compliance.

6 & 7 – Procurement Manual:

It was noted during the audit that the City's procurement manual needs improving. The City is in the process of updating its purchasing manual and will include steps to ensure all grant related procurement complies with the Uniform Guidance and all necessary records to support grant procurement are retained. Also, the City will make sure that proper documentation will be retained regarding contractor debarment and suspension. The City is also in the process of adopting a conflict of interest policy which will be approved at one of the City's April or May meetings.

8 – Property Management System:

The City of Union City has a physical inspection of assets performed every year. Our inventory listing is updated for any purchases that exceed \$5,000. We have a licensed appraiser that comes to the City and inspects all the new assets purchased during the appraisal year and meets with the respective department heads to verify the assets. They also review the prior year report to identify and remove any assets that have been sold, scrapped or donated. In 2026, we will be hiring a new appraisal company to do a complete inventory and have advised them that all assets that are purchased with federal or state grant funds must be reported separately and easily identifiable in the report.

We appreciate the recommendations and will assure that corrective action is taken on each one.

Please reach out if you require any additional information.

Sincerely,



Tammy Zucca
Chief Financial Officer
City of Union City
3715 Palisade Avenue
Union City, NJ 07087



Walter Laurencio
Police Chief
City of Union City
3715 Palisade Avenue
Union City, NJ 07087

APPENDIX 4: Union City Police Department Response to the Draft Audit Report



DEPARTMENT OF PUBLIC SAFETY
UNION CITY POLICE DEPARTMENT
3715 PALISADE AVENUE · UNION CITY, NJ 07087
TEL/201-348-5780 · FAX/201-348-5793



Mayor Brian P. Stack
Director of Public Safety
201-348-5745

Walter Laurencio
Chief of Police
201-348-5780

To: US DOJ Office of the Inspector General
From: Chief Walter Laurencio #352
Re: COPS Grant Audit Report
Date: March 3, 2026


To whom it may concern,

I recently reviewed the audit report for the Community Oriented Policing Services Technology and Equipment Program Grants awarded to the City of Union City, New Jersey. The audit report includes two matters directly related to the Police Department and the equipment and technology acquired through these two grants. In particular, the points made were that the equipment was inoperable at the time of inspection and that the software acquired was not procured through the acceptable procurement process.

In response to these issues, I met with Detective Carlos Rodriguez, who manages the department's Information Technology, and Lieutenant David Dunlay, who was the Chief of Staff at the time these technology projects were being acquired and introduced to the department. Both Detective Rodriguez and Lt. Dunlay read the Audit Report and were aware of the concerns raised, and as a result, I asked them to document responses to these concerns. After speaking with both officers and hearing their explanations, I am satisfied with their responses. I have attached the documentation they provided for review. Should any further information be needed, I can assure you that we will be available to respond.

After reviewing the provided Audit Report, the department has had internal discussions on how we can use the information in the report to improve our processes going forward.

Respectfully,


Walter Laurencio #352
Chief of Police
Union City Police Department
3715 Palisade Avenue
Union City, NJ 07087
201-348-5780
wlaurencio@unioncitypd.org

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APPENDIX 5: The Office of Community Oriented Policing Services Response to the Draft Audit Report



U.S. DEPARTMENT OF JUSTICE
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES
Grant Operations Directorate/Grant Monitoring Division
145 N Street, N.E., Washington, DC 20530

COPS

MEMORANDUM

To: Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice

Through: Marcia O. Jackson
Assistant Director
Grant Monitoring Division

From: Funmi Okoli
Auditor

Warren M. Brooks
Auditor

Date: April 20, 2026

Subject: Response to the Draft Audit Report for the City of Union City

This memorandum is in response to your March 13, 2026, draft audit report on COPS Technology and Equipment Program (TEP) grants #15JCOPS-22-GG-01523-TECP and #15JCOPS-23-GG-04420-TECP awarded to the City of Union City. For ease of review, the audit recommendations are stated in bold and underlined, followed by a response from COPS concerning the recommendation.

Recommendation 1 – Work with Union City to help ensure the equipment purchased using 2022 grant funds has been operationalized as expected and determine if additional actions or technical assistance is needed and appropriate under the grant.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City and provide technical assistance to ensure equipment purchased using 2022 grant funds has been operationalized as expected under the award.

ADVANCING PUBLIC SAFETY THROUGH COMMUNITY POLICING



Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
April 20, 2026
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Recommendation 2 – Work with Union City to ensure that Union City prepares and submits progress reports with complete information, including relevant qualitative data, to enable the COPS Office to provide meaningful oversight.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to prepare and submit progress reports with complete information that includes relevant data.

Recommendation 3 – Require Union City to develop and implement controls to ensure grant expenditure records are accurate and complete.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to develop and implement controls that ensure grant expenditures records are accurate and complete.

Recommendation 4 – Coordinate with Union City to remedy \$923,951 in unsupported equipment purchases.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to remedy the unsupported equipment purchases.

Recommendation 5 – Coordinate with Union City to remedy the unsupported equipment costs of \$772,858.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to remedy the unsupported equipment costs.

Recommendation 6 – Require Union City to improve its procurement manual to (1) include steps to help ensure all grant-related procurements comply with the Uniform Guidance and

Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
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Page 3

(2) ensure the retention of necessary and sufficient record to support that grant procurements are executed in accordance with the Uniform Guidance and state and local requirements.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to improve its procurement manual.

Recommendation 7 – Require Union City to revise its procurement procedures to (1) document contractor debarment and suspension checks, and (2) include and implement standards of conduct covering conflicts of interest as required by the Uniform Guidance.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to revise its procurement procedures to document contractor debarment and suspension checks and implement standards of conduct covering conflicts of interest.

Recommendation 8 - Ensure Union City develops and implements a compliant property management system for grant-funded equipment and a policy to complete physical inspections at least once every 2 years to safeguard equipment as defined by the DOJ Grants Financial Guide.

The COPS Office concurs with this recommendation.

Planned Action

The COPS Office will work with Union City to develop and implement a compliant property management system for grant-funded equipment and a policy to complete physical inspections to safeguard equipment.

The COPS Office appreciates the opportunity to review and respond to the draft audit report. If you have any questions, please contact us at 202-598-5994 (Funmi) or 202-568-3570 (Warren) or via e-mail: funmi.okoli@usdoj.gov or warren.brooks@usdoj.gov.

cc: (provided electronically)

Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
April 20, 2026
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[REDACTED]
Assistant Regional Audit Manager
Office of the Inspector General
Philadelphia Regional Audit Office
[REDACTED]

[REDACTED]
Performance Auditor
Office of the Inspector General
Philadelphia Regional Audit Office
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Marcia Jackson
Assistant Director, Grant Monitoring Division
Office of Community Oriented Policing Services
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Trent McCotter
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Deputy Associate Attorney General

Nicholas A. Davis
Counsel
Office of the Deputy Attorney General

Louise Duhamel
Assistant Director
Office of Compliance and Review
Justice Management Division

Grant File: #15JCOPS-22-GG-01523-TECP & #15JCOPS-23-GG-04420-TECP

ORI: NJ00910

Thomas O. Puerzer
Regional Audit Manager
Philadelphia Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
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Response to Draft Audit Report for the Union City Police Department

Award #15JCOPS-22-GG-01523-TECP
Award #15JCOPS-23-GG-04420-TECP

Reviewed by: *Marvia Jackson*
Assistant Director
Grant Monitoring Division

Date: April 20, 2026

APPENDIX 6: 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 Community Oriented Policing Services (COPS Office) and the City of Union City (Union City). The Union City and the Union City Police Department (UCPD) responses are incorporated in Appendix 3 and 4, respectively, and the COPS Office response is incorporated in Appendix 5 of this final report. In response to our draft audit report, the COPS Office concurred with our recommendations and, as a result, the status of the audit report is resolved. Union City and UCPD did not state whether each agreed or disagreed with the recommendations. The Union City response stated appreciation for the recommendations and that corrective action would be taken on each one; and UCPD's response expressed intent to use the results of our audit to improve processes moving forward. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

Recommendations for the COPS Office:

- 1. Work with Union City to help ensure the equipment purchased using 2022 grant funds has been operationalized as expected and determine if additional actions or technical assistance is needed and appropriate under the grant.**

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City stated in its response that the UCPD works closely with the network vendor to assure all cameras are operational. The city also stated that when certain issues occur, the vendor is contacted immediately to rectify the issue. However, we were not provided evidence during the audit, or with this response, that Union City contacted its vendor to rectify the camera's operational issues.

This recommendation can be closed when we receive evidence that the COPS Office worked with Union City to help ensure the equipment purchased using 2022 grant funds has been operationalized as expected and determine if additional actions or technical assistance is needed and appropriate under the grant.

- 2. Work with Union City to ensure that Union City prepares and submits progress reports with complete information, including relevant qualitative data, to enable the COPS Office to provide meaningful oversight.**

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City stated in its response that the loss of video from its various CCTV cameras that we observed during our audit are not routine and that, when these types of issues do occur, they are

resolved in a timely manner. The city also stated that the UCPD did not consider these issues to be challenges and were not reported on the progress reports.

As stated in page 3 of the report, UCPD officials told us during our on-site inspection that this issue has caused instances when recordings were unavailable for criminal investigations that occurred near a camera. We therefore believe this type of information is significant and should be included in progress reports provided to the COPS Office.

This recommendation can be closed when we receive evidence that Union City has prepared and submitted progress reports with complete information, including relevant qualitative data, to enable the COPS Office to provide meaningful oversight.

3. Require Union City to develop and implement controls to ensure grant expenditure records are accurate and complete.

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City stated in its response that the instances of miscoded transactions were out of the ordinary and were discovered and rectified prior to our audit being performed. In addition, Union City stated that it will update its grant internal control procedures to include controls specific to grant expenditures, so all records are accurate and complete.

We do not agree that all instances of miscoded transactions were discovered and rectified prior to our audit. As stated in pages 4 and 5 of our report, we identified miscoded transactions that Union City subsequently corrected during this audit.

This recommendation can be closed when we receive evidence that Union City has developed and implemented controls to ensure grant expenditure records are accurate and complete.

4. Coordinate with Union City to remedy \$923,950 in unsupported equipment purchases.

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

In its response, Union City described purchasing the related equipment and software from New Jersey State Contract Vendors, including reviewing contract information online and retaining purchase orders and invoices. However, this response does not adequately address the basis of our finding related to establishing and documenting that contract prices match invoiced prices. Union City did not provide us with underlying state contract pricing information during the audit or with its response.

Moreover, we acknowledged in page 5 of the report that the costs charged to the grants were supported by vendor invoices; however, as subsequently noted in the report, the city officials told us during the audit that the city does not routinely compare the details of the items and prices in the state contract with the same information included in vendor quotes and invoices as required by the state regulation. Union City also stated that it will update its purchasing manual to include a procedure for maintaining copies of state contracts on file, as well as documenting the review of the state contracts for compliance.

This recommendation can be closed when we receive evidence that the COPS Office has remedied \$923,950 in unsupported equipment purchases.

5. Coordinate with Union City to remedy the unsupported equipment costs of \$772,858.

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

In its response, Union City claimed that the items purchased with grant funds were procured using State Contract vendors.

As stated in page 6 of our report, Union City officials told us that CCTV system cameras were not procured using a state contract. Instead, officials told us the cameras purchased with grant funding were acquired using local procurement methods. However, Union City did not provide us with the necessary procurement documentation supporting this statement during the audit or with its response.

This recommendation can be closed when we receive evidence that the COPS Office has remedied the unsupported equipment costs of \$772,858.

6. Require Union City to improve its procurement manual to (1) include steps to help ensure all grant-related procurements comply with the Uniform Guidance and (2) ensure the retention of necessary and sufficient records to support that grant procurements are executed in accordance with the Uniform Guidance and state and local requirements.

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City stated in its response that it is in the process of updating its purchasing manual and will include steps to ensure all grant-related procurement complies with the Uniform Guidance and all necessary records to support grant procurement are retained.

This recommendation can be closed when we receive evidence that Union City has improved its procurement manual to (1) include steps to help ensure all grant-related procurements comply with

the Uniform Guidance and (2) ensure the retention of necessary and sufficient records to support that grant procurements are executed in accordance with the Uniform Guidance and state and local requirements.

- 7. Require Union City to revise its procurement procedures to (1) document contractor debarment and suspension checks and (2) include and implement standards of conduct covering conflicts of interest as required by the Uniform Guidance.**

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City stated in its response that it will make sure that proper documentation will be retained regarding contractor debarment and suspension. Additionally, Union City stated that it is in the process of adopting a conflict-of-interest policy.

This recommendation can be closed when we receive evidence that Union City has revised its procurement procedures to (1) document contractor debarment and suspension checks and (2) include and implement standards of conduct covering conflicts of interest as required by the Uniform Guidance.

- 8. Ensure Union City develops and implements a compliant property management system for grant-funded equipment and a policy to complete physical inspections at least once every 2 years to safeguard equipment as defined by the DOJ Grants Financial Guide.**

Resolved. The COPS Office concurred with our recommendation. The COPS Office stated in its response it will work with Union City to resolve this recommendation. As a result, this recommendation is resolved.

Union City, in its response, described that it performed a physical inspection every year and has an inventory listing for purchases exceeding \$5,000. The city further described that the city's appraiser inspects and verifies the assets including reviewing of the prior year report. In addition, the city stated that, in 2026, it will be hiring a new appraisal company to do a complete inventory and has advised them that all assets purchased with federal or state grant funds must be reported separately and easily identifiable in the report.

As described on page 8 of our report, Union City did not provide us with documentation to demonstrate that the city's property management system and physical inspection procedures adequately tracked and safeguarded grant-funded assets in compliance with the DOJ Grants Financial Guide.

This recommendation can be closed when we receive evidence that Union City has developed and implemented a compliant property management system for grant-funded equipment and a policy to

complete physical inspections at least once every 2 years to safeguard equipment as defined by the DOJ Grants Financial Guide.