



APR 15 2009

MANAGEMENT ADVISORY MEMORANDUM FOR:

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

FROM: 
RAYMOND J. BEAUDET
ASSISTANT INSPECTOR GENERAL FOR AUDIT

SUBJECT: Improving Performance Measures for the Office of
Victims of Crime Awards Authorized by the Recovery Act

This memorandum is to advise you of an issue that we identified as part of our ongoing audit of the Office of Victims of Crime's (OVC) management and implementation of funds authorized by the American Recovery and Reinvestment Act of 2009 (Recovery Act). The Recovery Act authorized \$100 million in funding for victim compensation and assistance. Of the \$100 million:

- \$47.5 million in Recovery Act funding will be distributed among eligible state agencies that administer Victims of Crime Act (VOCA) funded crime victim compensation programs to support the provision of crucial financial assistance to victims of crime (VOCA Compensation Formula Grant Program).
- \$47.5 million in Recovery Act funding will be distributed among state agencies that administer VOCA funded crime victim assistance programs to support the provision of services to victims of crime (VOCA Victim Assistance Formula Grant Program).
- \$5 million will be used to make awards under the Recovery Act-National Field-Generated Training, Technical Assistance and Demonstration Projects (NFG Training Discretionary Grant Program).

The Recovery Act states that its purposes "include the following:

- (1) To preserve and create jobs and promote economic recovery.
- (2) To assist those most impacted by the recession.
- (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health.
- (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.
- (5) To stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases."

In support of its Recovery Act efforts, the OVC has posted solicitations for its three Recovery Act programs. We reviewed each solicitation and identified issues with the performance measures discussed in the solicitations. If not addressed, these issues could limit the OVC's ability to completely and accurately assess program performance and accomplishment of Recovery Act goals and objectives.

To measure jobs retained based on Recovery Act funding, the VOCA Compensation Formula Grant Program solicitation requires award recipients to report the number of claimants that received Recovery Act funds to help offset economic loss due to victimization. However, these payments compensate victims for lost wages or support and do not represent jobs retained. We believe that these payments are part of the essential services funded by the VOCA Compensation Formula Grant Program and should not be reported as retained jobs under the Recovery Act.

In our judgment, the performance measures may be clarified if the OVC implemented guidance with definitions of terms used in the required performance measures. In addition, guidance on tabulating performance information may ensure that award recipients will provide accurate and consistent performance data as required under the Recovery Act. During prior audits of the Office of Justice Programs (OJP) and the OVC, we have found significant differences in how award recipients interpret the performance data required to be submitted. For example, in our audit of the Tribal Victim's Assistance program we found a lack of consistency among award recipients in reporting performance information.¹ Specifically, we evaluated a performance measure on the number of publications produced, and found some award

¹ U.S. Department of Justice Office of the Inspector General, *Effectiveness of the Office for Victims of Crime Tribal Victim Assistance Program*, Audit Report 06-08 (February 2006).

recipients reported the number of new publications developed during the period, while others reported the number of copies of the same publication generated during the period. We also found instances where one award recipient reported one service per victim in some periods, and the number of times the same service was provided in other periods. For example, if a victim received crisis counseling on 10 separate occasions, the OVC did not provide guidance as to whether the award recipient should report 1 service provided or 10 services provided.

A more recent example of this issue was identified in our audit of OJP's grant programs for trafficking victims.² During that audit we determined that the OVC had significantly overstated the number of victims actually served in its reports to Congress. This overstatement was caused, in part, by some service providers counting both new and existing victims in each reporting period resulting in existing victims being counted multiple times. To prevent data inaccuracies and ensure compatible data for all award recipients receiving Recovery Act funds, we believe award recipients should be provided sufficiently detailed and formal guidance regarding data collections and reporting. At a minimum, this guidance should define terms used in performance measures and explain procedures for collecting and summarizing the data.

Finally, many performance measures in the solicitations require data on jobs and partnerships created or retained. However, grantees are not required to provide baseline data. Absent baseline data, an accurate assessment of the Recovery Act funding may not be possible. We believe that award recipients should provide baseline data to measure the true impact of Recovery Act funding. Such baseline data should consist of the activity under these programs prior to receiving Recovery Act funding and will serve as a starting point for the verification of results achieved under each award.

Please advise us of the actions you intend to take regarding the issues discussed in this memorandum within 30 days. If you would like to discuss the information in this memorandum, you may contact me on (202) 616-4633 or David M. Sheeren, Regional Audit Manager, Denver Regional Audit Office, on (303) 335-4001.

² U.S. Department of Justice Office of the Inspector General, *Management of the Office of Justice Programs' Grant Programs for Trafficking Victims*, Audit Report 08-26 (July 2008).

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



U.S. Department of Justice

Office of Justice Programs


Office of the Assistant Attorney General

Washington, D.C. 20531

SEP 30 2009

MEMORANDUM TO: Glenn A. Fine
Inspector General

THROUGH: Raymond J. Beaudet
Assistant Inspector General for Audit

FROM: Mary Lou Leary 
Acting Assistant Attorney General

SUBJECT: Office of Justice Programs' Response to Management Advisory
Memorandum, *"Improving Performance Measures for the Office
for Victims of Crime Awards Authorized by the Recovery Act"*

This memorandum provides the Office of Justice Programs' (OJP's) response to correspondence from the Office of the Inspector General (OIG) dated April 15, 2009, regarding performance measures for Office for Victims of Crime (OVC) awards authorized by the American Recovery and Reinvestment Act of 2009 (Recovery Act). The correspondence notes issues with the performance measures for the three Recovery Act solicitations to be administered by OVC that the OIG believes could limit OVC's ability to completely and accurately assess program performance and accomplishment of Recovery Act goals and objectives.

Specifically, the OIG stated that jobs retained should not be measured based on Recovery Act funding under the Victims of Crime Act (VOCA) Victim Compensation Program because payments under this program compensates victims for lost wages or support. On May 20, 2009, we met with Ferris Polk, OIG Atlanta Regional Audit Manager, and other OIG staff to discuss performance measurement as related to the goals of the Recovery Act. At this time, we mutually decided that until the Office of Management and Budget (OMB) issued guidance clarifying the jobs impact data reporting requirement, OJP could hold off on responding to this Management Advisory Memorandum. OMB issued guidance on June 22, 2009¹, which provided that only direct jobs were to be reported under Section 1512 reporting requirements. On August 6, 2009, OMB provided further clarification on its Recovery Act website² regarding supplemental jobs guidance. Based on OMB guidance, OVC recipients of VOCA Victim Compensation Program Recovery Act funds will not be reporting jobs created/retained numbers in their quarterly Section 1512 reports. Although the employment impact would be indirect, OJP believes it is an

¹ The OMB guidance can be found at <http://www.ojp.gov/recovery/pdfs/arrafundsmemo.pdf> on page 34.

² The OMB guidance can be found at http://www.whitehouse.gov/omb/recovery_faqs/, SUPPLEMENTAL JOBS GUIDANCE FOR FEDERAL AGENCIES.

important measure and as such, OVC will collect the data through normal performance reporting to be used for program management purposes. In DOJ supplemental jobs data guidance issued by OJP on August 31, 2009³, OJP clarifies that established programs such as the VOCA Victim Compensation Program should describe the impact of the program even if no jobs were directly created or retained. Recipients are encouraged to further demonstrate the jobs impact of their project in additional detail by submitting a supplementary narrative description of that impact as part of the Section 1512 quarterly report.

Additionally, the OIG stated that grantees are not required to provide baseline data, which may not be an accurate assessment of the Recovery Act funding. The OIG also stated that they believe that award recipients should provide baseline data to measure the true impact of Recovery Act funding. The OIG further stated that such baseline data should consist of the activity under these programs prior to receiving Recovery Act funding and will serve as a starting point for the verification of results achieved under each award.

We agree that without baseline data, it is difficult to meaningfully measure performance and assess the results achieved under Recovery Act funded awards. In general, OJP requires the establishment of a baseline year for measuring program performance. Establishing baseline measures is usually done during the solicitation development process for each program, in conjunction with the Office of the Chief Financial Officer and the various OJP bureaus and program offices. The ideal situation is when baseline data are available before a program begins. However, in many cases, this is not the situation and the first year of the program is often used to establish the baseline of performance. OVC staff will work with grantees to ensure that each grantee gathers baseline data so that the program has the basic information needed to measure performance. With the baseline of performance established, OJP will use these baseline data to provide a comparison for assessing program impact.

We appreciate your feedback. If you have any questions regarding this response, please feel free to contact me on 202-307-1006, or Maureen Henneberg, Director of the Office of Audit, Assessment, and Management, on 202-616-3282.

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

Joye Frost
Acting Director
Office for Victims of Crime

Marcia K. Paull
Chief Financial Officer

³ The OJP guidance can be found at <http://www.ojp.gov/recovery/pdfs/ojpcopsovjobsguide.pdf> on page 2.

cc: Maureen Henneberg
Director
Office of Audit, Assessment, and Management

Richard P. Theis
Assistant Director, Audit Liaison Group
Justice Management Division