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OFFICE OF JUSTICE PROGRAMS

Problems with Grant Monitoring and Concerns about Evaluation Studies

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GAO-02-507T

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our work on the Office of Justice Programs (OJP). During the last 5 years, we have reported on a number of programs run by OJP bureaus and offices. An overarching theme of these reviews is a need for improvements in monitoring and evaluating the myriad grant programs that OJP oversees. Our work has shown longstanding problems with OJP grant monitoring and has begun to raise questions about the methodological rigor of some of OJP's impact evaluation studies. Monitoring and evaluation are the activities that identify whether programs are operating as intended, whether they are reaching those that should be served, and ultimately whether they are making a difference in the fight against crime and delinquency. In other words, these are major elements of assessing results. Our recent work has focused mostly on discretionary grant programs administered by the Bureau of Justice Assistance (BJA), the Violence Against Women Office (VAWO), the Office of Juvenile Justice and Delinquency Prevention (OJJDP), the Executive Office for Weed and Seed (EOWS), and the Drug Courts Program Office (DCPO). We have also examined National Institute of Justice (NIJ) impact evaluations of some of these programs.

Background

OJP, the grant making arm of the Department of Justice (DOJ), provides grants to various organizations, including state and local governments, universities, and private foundations, that are intended to develop the nation's capacity to prevent and control crime, administer justice, and assist crime victims. OJP's assistant attorney general is responsible for overall management and oversight of OJP through setting policy and ensuring that OJP policies and programs reflect the priorities of the president, the attorney general, and the Congress. The assistant attorney general promotes coordination among OJP's five bureaus—including BJA, NIJ, and OJJDP—as well as its seven program offices, including VAWO, the Executive Office for Weed and Seed (EOWS), and the Drug Courts Program Office. [1]

[1] OJP's five bureaus are Bureau of Justice Assistance, Bureau of Justice Statistics, National Institute of Justice, Office of Juvenile Justice and Delinquency Prevention, and Office for Victims of Crime. OJP's seven program offices are American Indian and Alaska Native Affairs Desk, Violence Against Women Office, Executive Office for Weed and Seed, Corrections Program Office, Drug Courts Program Office, Office for Domestic Preparedness, and Office of Police Corps and Law Enforcement Education. Appendix I shows OJP's current organizational structure.

OJP bureaus and program offices award two types of grants: formula and discretionary. Formula grants are awarded to state governments, which then make subawards to state and local units of government. Discretionary grants can be awarded on a competitive and non-competitive basis directly to states, local units of government, Indian tribes and tribal organizations, individuals, educational institutions, private nonprofit organizations, and private commercial organizations. Bureaus and program offices, like BJA, VAWO, and OJJDP are, together with OJP's Office of the Comptroller, responsible for monitoring OJP's discretionary grants to ensure that they are being implemented as intended, responsive to grant goals and objectives, and compliant with statutory regulations and other policy guidelines. NIJ is OJP's principal research and development agency and awards grants for the research and evaluation of many of OJP's grant programs. OJJDP also funds research and evaluation efforts associated with the juvenile justice system.

Between fiscal years 1990 and 2000, OJP's budget grew, in constant fiscal year 2000 dollars, by 323 percent, from about $916 million in fiscal year 1990 to nearly $3.9 billion in fiscal year 2000.[2]

OJP's Efforts to Resolve Continuing Grant Monitoring Problems

The monitoring of grant activities is a key management tool to help ensure that funds awarded to grantees are being properly spent. Over the last few years, we and others, including OJP, have identified various grant monitoring problems among OJP's bureaus and offices. OJP has begun to work with its bureaus and offices to address these problems, but it is too early to tell whether its efforts will be enough to resolve many of the issues identified.

Problems with OJP Grant Monitoring Are Not New

Since 1996, we have testified and issued reports that document grant monitoring problems among some of OJP's bureaus and offices. In November 2001, in response to a request by Senators Sessions and Grassley, we reported that grant files for discretionary grants awarded by VAWO and under BJA's Byrne Program often lacked the documentation necessary to ensure that required monitoring activities occurred.[3] In

[2] Appendix II shows the growth of OJP's budget between fiscal years 1990 and 2000, and Appendix III shows OJP's fiscal year 2000 budget broken out by Bureaus and Program Offices.

[3] U.S. General Accounting Office, *Justice Discretionary Grants: Byrne Program and Violence Against Women Office Grant Monitoring Should Be Better Documented*, GAO-02-025 (Washington, D.C.: Nov. 28, 2001).

October 2001, at the request of Congressman Schaffer, we cited similar problems with the monitoring of OJJDP discretionary grants—problems consistent with the lack of OJJDP monitoring documentation we reported in May 1996.[4] For example, our review of grant files for a representative sample of OJJDP, BJA Byrne, and VAWO discretionary grants active in all of fiscal years 1999 and/or 2000 showed the following:

- BJA and VAWO grant files did not always contain requisite grant monitoring plans, whereas OJJDP grant files generally did. When monitoring plans were in the files, grant managers from the three organizations did not consistently document their monitoring activities, such as site visits, according to the monitoring plans they developed.
- A substantial number of OJJDP, BJA Byrne, and VAWO grant files did not contain progress and financial reports sufficient to cover the entire grant period, contrary to OJP guidelines. Furthermore, Byrne and VAWO grantee progress and financial reports were often submitted late by grantees. These reports are an important management tool to help managers and grant monitors determine if grantees are meeting program objectives and financial commitments.
- BJA Byrne, VAWO, and OJJDP grant files did not always contain the required closeout documents—key documents by which OJP ensures that, among other things, the final accounting of federal funds have been received.

We concluded that neither OJP, OJJDP, BJA, VAWO, nor GAO can determine the level of monitoring performed by grant managers as required by OJP and the comptroller general's internal control standards, which call for documentation of all transactions and other significant events to ensure that management directives are being carried out.[5] We recommended that OJJDP, BJA, and VAWO review why documentation problems occurred and take steps to improve their documentation of grant monitoring. We also recommended that OJP (1) study and recommend ways to establish an approach to systematically test or review grant files to ensure consistent documentation across OJP and (2) explore ways to electronically compile and maintain documentation of monitoring

[4]U.S. General Accounting Office, *Juvenile Justice: Better Documentation of Discretionary Grant Monitoring is Needed*, GAO-02-65 (Washington, D.C.: Oct. 10, 2001) and *Juvenile Justice: Selected Issues Relating to OJJDP's Reauthorization*, GAO/T-GGD-96-103 (Washington, D.C.: May 8, 1996).

[5]U.S. General Accounting Office, *Internal Control: Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: Nov. 1999).

activities to facilitate more consistent documentation, more accessible management oversight, and sound performance measurement.

Also, in 1999, our report on the management of the Weed and Seed Program showed similar results.[6] Among other things, EOWS did not always ensure that local Weed and Seed sites met critical requirements—almost one half of 177 sites funded in fiscal year 1998 had not submitted all of the required progress reports. Furthermore, while EOWS was to conduct site visits at all Weed and Seed sites, EOWS monitors did not always document the results of these visits. We concluded that EOWS lacked adequate management controls over its grant monitoring process and recommended that EOWS improve program monitoring to ensure that sites meet grant requirements for submitting progress reports and EOWS document site visits.

Our work has also shown that others, including OJP itself and the DOJ Office of the Inspector General, have identified problems with grant monitoring. Our November 2001 report discussed that, in 1996, an OJP-wide working group reported on various aspects of the grant process, including grant administration and monitoring. Among other things, the working group found that grant monitoring was not standardized in OJP; given available resources, monitoring plans were overly ambitious, resulting in failure to achieve the level of monitoring articulated; and an OJP-wide tracking system was needed to facilitate control of the monitoring process. The working group recommended that OJP establish another working group to develop detailed operating procedures, giving special attention to grant monitoring.

Almost 4 years later, in February 2000, an independent contractor delivered a report to OJP containing similar findings.[7] The report stated that OJP lacked consistent procedures and practices for performing grant management functions, including grant monitoring, across the agency. For example, the contractor found that (1) no formal guidance had been provided grant managers about how stringent or flexible they should be with grantees in enforcing deadlines, due dates, and other grant requirements and (2) grant files were often not complete or reliable. The

[6]U.S. General Accounting Office, *Federal Grants: More Can Be Done to Improve Weed and Seed Program Management*, GAO/GGD-99-110 (Washington, D.C.: July 16, 1999).

[7]Dougherty and Associates, *Final Report of Finding & Recommendations for Improvement of the Grant Management Process* (Alexandria, VA, 2000).

contractor recommended that, among other things, OJP develop an agencywide, coordinated and integrated monitoring strategy; standardize procedures for conducting site visits and other monitoring activities; and mandate the timeliness and filing of monitoring reports.

Finally, the DOJ Office of the Inspector General has identified and reported on OJP-wide monitoring problems and has identified grant management as one of the 10 major management challenges facing DOJ. In December 2000, the inspector general stated that DOJ's multibillion-dollar grant programs are a high risk for fraud, given the amount of money involved and the tens-of-thousands of grantees. Among other things, the inspector general said that past reviews determined that many grantees did not submit the required progress and financial reports and that program officials' on-site reviews did not consistently address all grant conditions.

Too Early to Gauge Effectiveness of OJP's Efforts to Resolve Grant Monitoring Problems

We reported in November 2001 that OJP had begun to work with bureaus and offices to resolve some of the problems it and others have identified, but it was too early to tell how effective these efforts will be in resolving these issues. In its Fiscal Year 2000 Performance Report and Fiscal Year 2002 Performance Plan developed under the Government Performance and Results Act of 1993, OJP established a goal to achieve the effective management of grants. Among other things, DOJ plans to achieve this goal by continued progress toward full implementation of a new grant management system as a way of standardizing and streamlining the grant process. According to the performance report and performance plan, the grant management system will assist OJP in setting priorities for program monitoring and facilitate timely program and financial reports from grantees.

At the time of our review, the new system covered grants for some organizations up to the award stage. Since then, OJP has created a chief information officer position charged with planning and implementing an agency-side grant management system. According to the assistant attorney general, the new system is envisioned to produce reports in response to informational requests, provide information pertaining to grantees and all resources provided by OJP, and maintain information from the opening to the closing of a grant award. Although the assistant attorney general said that OJP will consider the comptroller general's internal control standards in taking these steps, it is unclear whether the new system will include the full range and scope of monitoring activities.

We also reported that OJP had been working on two other key efforts. One of these initiatives, "Operation Closeout," was a pilot project announced in February 2000 by OJP's Working Group on Grant Administration that was to, among other things, accelerate the grant closeout process through revising closeout guidelines and elevating the importance of the closeout function as a required procedure in the administration of grants. By November 2000, OJP reported that this operation closed out 4,136 outstanding grants over a 6-month period, resulting in over $30 million in deobligated funds. As of September 2001, OJP had plans to initiate another closeout operation based on the success of the pilot.

Another OJP initiative involved the issuance of new OJP-wide guidance for grant administration, including grant monitoring. In January 2001, OJP released its Grant Management Policies and Procedures Manual to update and codify OJP's policies and procedures regarding its business practices. [8] According to OJP officials, the new guidance was developed to reengineer the grant management process based on the best practices of bureaus and offices throughout OJP. At the time of our review, OJP had trained over 300 grant managers and had plans to train supervisors about the new guidance. OJP also had planned to send a similar questionnaire to recently trained grant managers and supervisors, respectively, to identify any issues or problems with using the new manual and to identify potential training interest and topics. However, there were no plans to test or systematically monitor compliance with the new guidelines to ensure that grant managers were fulfilling their responsibilities.

OJP's bureaus and program offices have told us that they recognize that they need to take some steps to respond to our recent recommendations, but it is too early to tell if these actions will be effective. For example, in response to our November 2001 report on the monitoring of Byrne and VAWO discretionary grants, BJA said that it had, among other things, (1) modified its internal grant tracking system to include tracking of events such as site visits, phone contacts involving staff and grantees, and grant closeouts and (2) developed more specific guidance for grantees on completing progress reports to ensure more specific performance data are obtained. VAWO said it had begun to develop both an internal monitoring manual that would include procedures for development of monitoring plans using a risk-based assessment tool and a management information

[8] This document superseded *OJP Handbook: Policies and Procedures for the Administration of OJP Grants* (Washington, D.C., 1992).

system that will eventually track the submission of progress and financial reports.

Likewise, in response to our October 2001 report on OJJDP grant monitoring, OJJDP officials said they conducted an internal assessment of grant monitoring activities and established an OJJDP standard for grant administration and monitoring; a protocol for adhering to the standard; and a set of tools for grant administration and monitoring. OJJDP said that it anticipates OJJDP-wide implementation during fiscal year 2002. Finally, with respect to our 1999 Weed and Seed report, EOWS said it recognizes the need to improve program monitoring—citing that it has a chronic problem of grantees not submitting programmatic progress reports in a timely manner—and acknowledged the need to document all monitoring visits. In a July 2000 letter, EOWS officials said that EOWS had taken steps to improve program monitoring, including documentation of site monitoring visits.

Concerns about Impact Evaluation Studies

We have also issued reports questioning the methodological rigor of impact evaluation studies of various OJP grant programs. Impact evaluations are intended to assess the net effect of a program by comparing program outcomes with an estimate of what would have happened in the absence of the program.

Today, we are issuing a report on work undertaken at the request of Senators Sessions and Grassley concerning the methodological rigor of impact evaluations of a Byrne grant program and three VAWO discretionary grant programs.[9] During fiscal years 1995 through 2001, NIJ awarded about $6 million for 5 Byrne and 5 VAWO discretionary grant program evaluations. Of the 10 program evaluations, all 5 VAWO evaluations were intended to measure the impact of the VAWO programs. One of the 5 Byrne evaluations was designed as an impact evaluation. Our in-depth review of the 4 impact evaluations that have progressed beyond the formative stage showed that only 1 of these, the evaluation of the Byrne Children at Risk (CAR) Program, was methodologically sound.

[9]U.S. General Accounting Office, *Justice Impact Evaluations: One Byrne Evaluation Was Rigorous; All Reviewed Violence Against Women Office Evaluations Were Problematic*, GAO-02-309 (Washington, D.C.: Mar. 7, 2002).

The other 3 evaluations, all of which examined VAWO programs, had methodological problems that raise concerns about whether the evaluations will produce definitive results. Although program evaluation is an inherently difficult task, in all 3 VAWO evaluations, the effort is particularly arduous because of variations across grantee sites in how the programs are implemented. In addition, VAWO sites participating in the impact evaluations have not been shown to be representative of their programs, thereby limiting the evaluators' ability to generalize results. Further, the lack of nonprogram participant comparison groups hinders their ability to minimize the effects of factors that are external to the program and isolate the impact of the program alone. In some situations, other means (other than comparison groups) can be effective in isolating the impact of a program from other factors. However, in these evaluations, effective alternative methods were not used. In addition, data collection and analytical problems (e.g. related to statistical tests, assessment of change) compromise the evaluators' ability to draw appropriate conclusions from the results.

We have made a recommendation in relation to the two VAWO impact evaluations in the formative stage of development, and for all future impact evaluations, to ensure that potential methodological design and implementation problems are mitigated. The assistant attorney general commented that she agreed with the substance of our recommendations and has begun or plans to take steps to address them. It is still too early to tell whether these actions will be effective in preventing or resolving the problems we identified, but they appear to be steps in the right direction.

Our in-depth review of 10 of OJJDP's impact evaluations of its own programs undertaken since 1995 also raised some concerns about whether many of the evaluations would produce definitive results. We reported these concerns in an October 2001 report, requested by Congressman Schaffer, on OJJDP grantee reporting requirements and evaluation studies.[10] At the time of our review, all of the 10 evaluations were ongoing, with 5 in their formative stages and 5 well into implementation. As in the report cited above, we noted that some of the evaluations we reviewed were particularly difficult to design because sites varied in how they implemented the same program. While these variations were intended to

[10]U.S. General Accounting Office, *Juvenile Justice: OJJDP Reporting Requirements for Discretionary and Formula Grantees and Concerns About Evaluation Studies*, GAO-02-23 (Washington, D.C.: Oct. 30, 2001).

allow communities to tailor programs to meet their unique needs, they will make it difficult to interpret evaluation results when the studies are completed. Two of the evaluations that were in their later stages and 3 of those that were in their formative stages at the time of our review lacked specific plans for comparison groups, which would aid in isolating the impacts of the program from the effects of other factors that may have influenced change. Furthermore, 3 of the 5 evaluations that were well into implementation at the time of our review had developed data collection problems.

We recommended in our report that OJJDP assess the 5 impact evaluations that were in their formative stages to address potential comparison group and data collection problems and initiate any needed interventions to help ensure the evaluations produce definitive results. In commenting on a draft of our report, the assistant attorney general said the report is an important tool that OJP would use to improve the quality of its evaluations and to design programs to achieve greater impact. Furthermore, OJP will assess the five impact evaluations in their formative stages, as we recommended. Two months after our report's issuance, OJP reported to us on the status of these evaluations. OJP informed us that OJJDP had decided to discontinue 1 evaluation that had planned to use a comparison group because of delays and difficulties in identifying a comparison site. In addition, OJJDP is considering scaling back and refocusing the scope of another evaluation because the program being studied did not lend itself to an impact evaluation with comparison groups.

We have also reported on problems with evaluation studies of federally funded drug court programs.[11] In our 1997 report to the House and Senate Judiciary Committees,[12] we found, among other things, that differences and methodological limitations in existing drug court evaluation studies did not permit firm conclusions to be made on the overall impact or

[11]The main purpose of a drug court program is to use the authority of the court to reduce crime by changing defendants' substance abuse or risk behavior. Under this concept, in exchange for the possibility of dismissed charges or reduced sentences, defendants are diverted to drug court programs in various ways and at various stages in the judicial process. Judges preside over drug court proceedings; monitor the progress of defendants; and prescribe sanctions and rewards as appropriate in collaboration with prosecutors, defense attorneys, treatment providers, and others.

[12]U.S. General Accounting Office, *Drug Courts: Overview of Growth, Characteristics, and Results*, GAO/GGD-97-106 (Washington, D.C.: July 31, 1997).

effectiveness of drug court programs. We recommended that future drug court program impact evaluations, funded by DOJ and others, be required to include post-program data and comparison groups within their scope. The preliminary results of our ongoing follow-up work on drug court programs for Senators Grassley and Sessions indicate that various administrative and research factors have hampered NIJ's efforts to complete a national impact evaluation study, and that alternative plans for addressing the impact of federally funded drug court programs, if implemented, are not expected until year 2007. As a result, DOJ will continue to lack near term information that the Congress, the public, and other program stakeholders may need to determine the overall impact of federally funded drug court programs and to assess whether these programs are an effective use of federal funds. We expect to issue a report on this issue in April 2002.

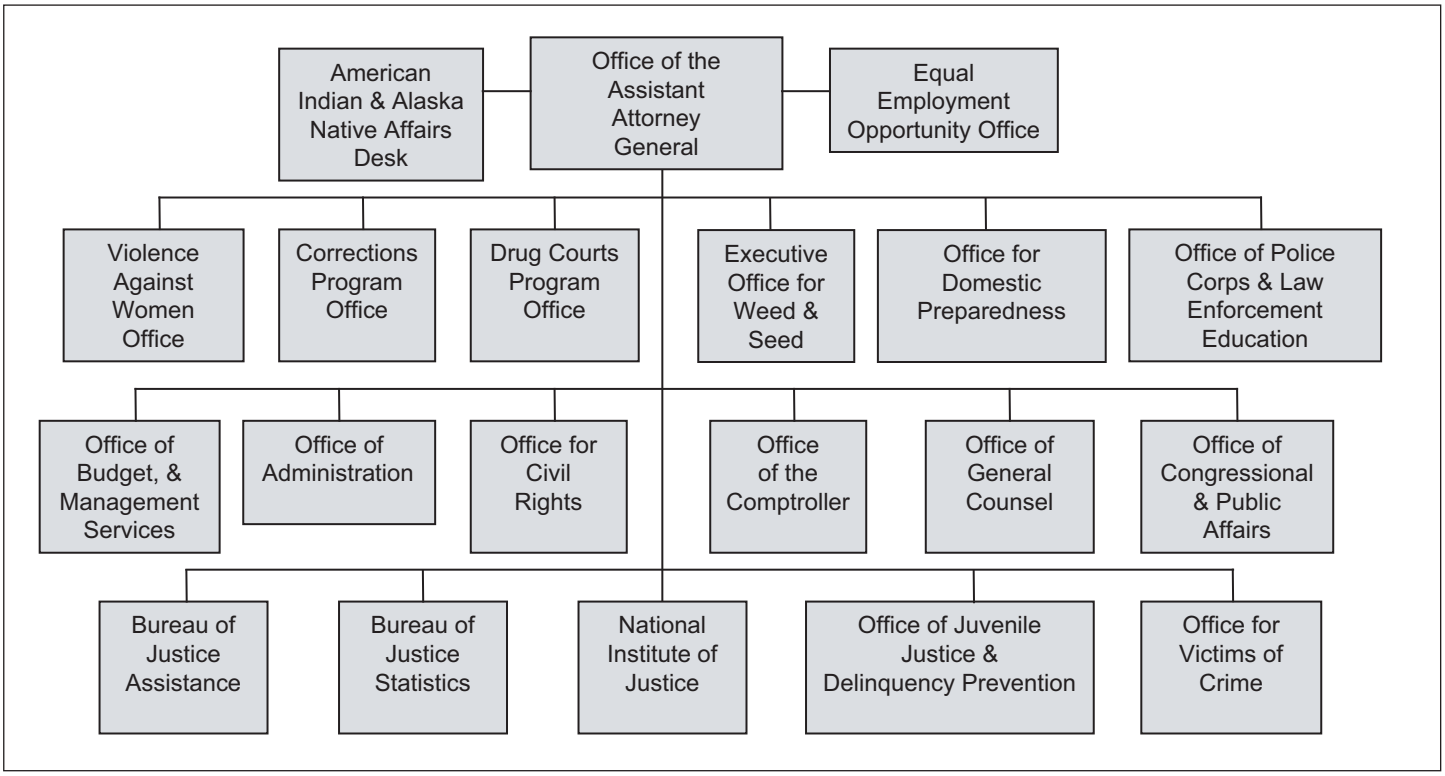
In summary, OJP's grant programs have grown rapidly during the last decade, increasing the importance of ensuring that they are achieving intended results. Yet, repeated GAO reviews of grant monitoring and impact evaluations across a variety of OJP entities have shown a need for improvement. OJP itself and the DOJ Office of the Inspector General have identified a need for improvements in grant management as well.

Despite past commitments to shore up grant monitoring and better assess program results, we have still found problems in very recent reports. The recent reorganization plans and the anticipated management information system have been cited as the foundation for positive changes in grants management, including monitoring and evaluation. But, reorganization and management information systems are only tools and are only as good as the management that wields them. Commitment to improvement and oversight are needed to ensure progress. Chairman Smith has recently requested an assessment of NIJ's impact evaluation studies. This work may lead to additional recommendations related to OJP grant evaluations.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions that you or other members of the subcommittee may have.

For further information regarding this testimony, please contact Laurie E. Ekstrand or John F. Mortin at (202) 512-8777. Individuals making key contributions to this testimony included James Blume, Dan Harris, Charles Johnson, Weldon McPhail, Wendy Simkalo, Lori Weiss, Jared Hermalin, Rochelle Burns, Jenna Battcher, and Kimberly Hutchens.

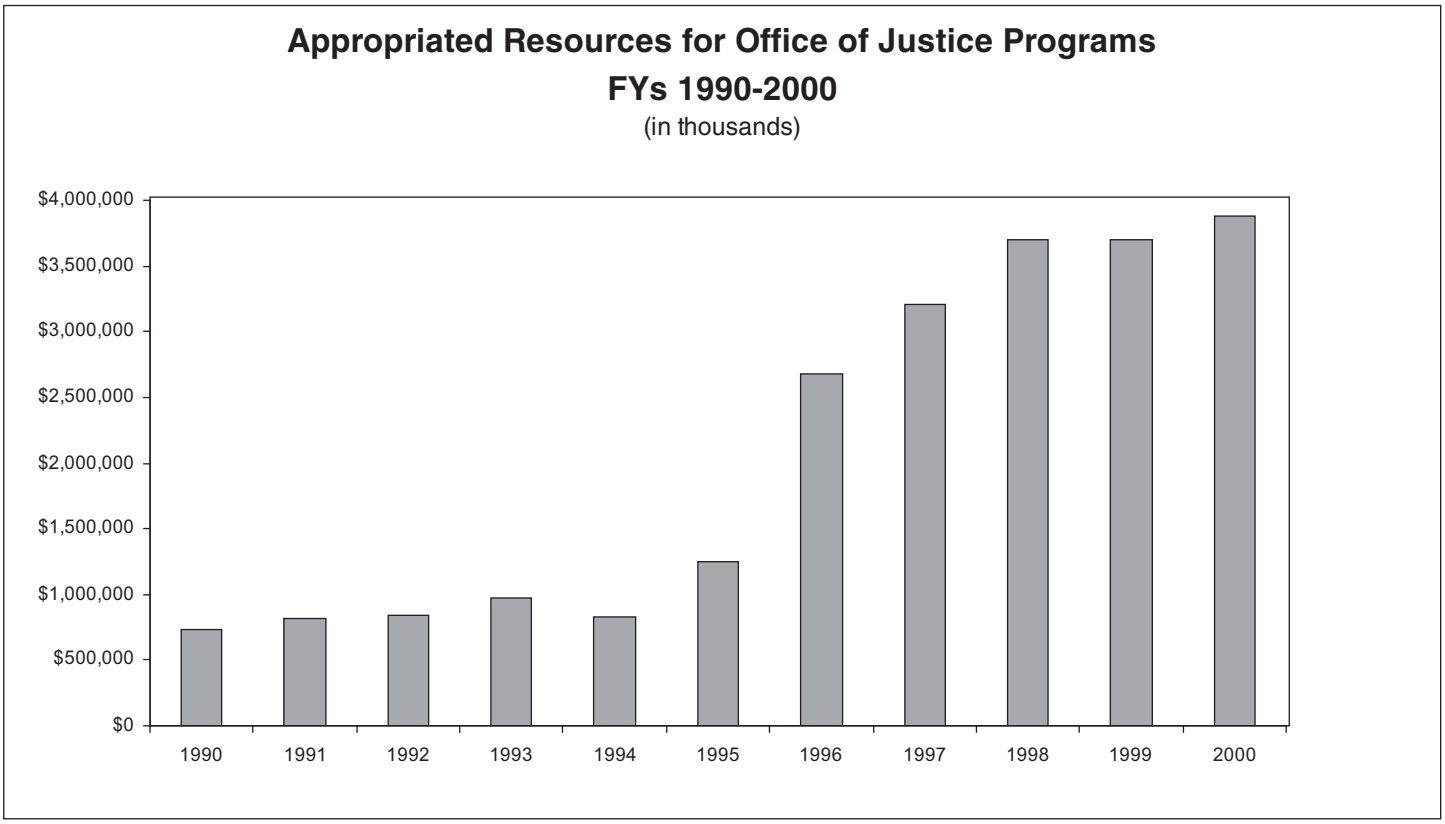
Appendix I: OJP Organization Chart



Note: The organization chart is current as of March 2002.

Source: Prepared by GAO based on OJP documentation.

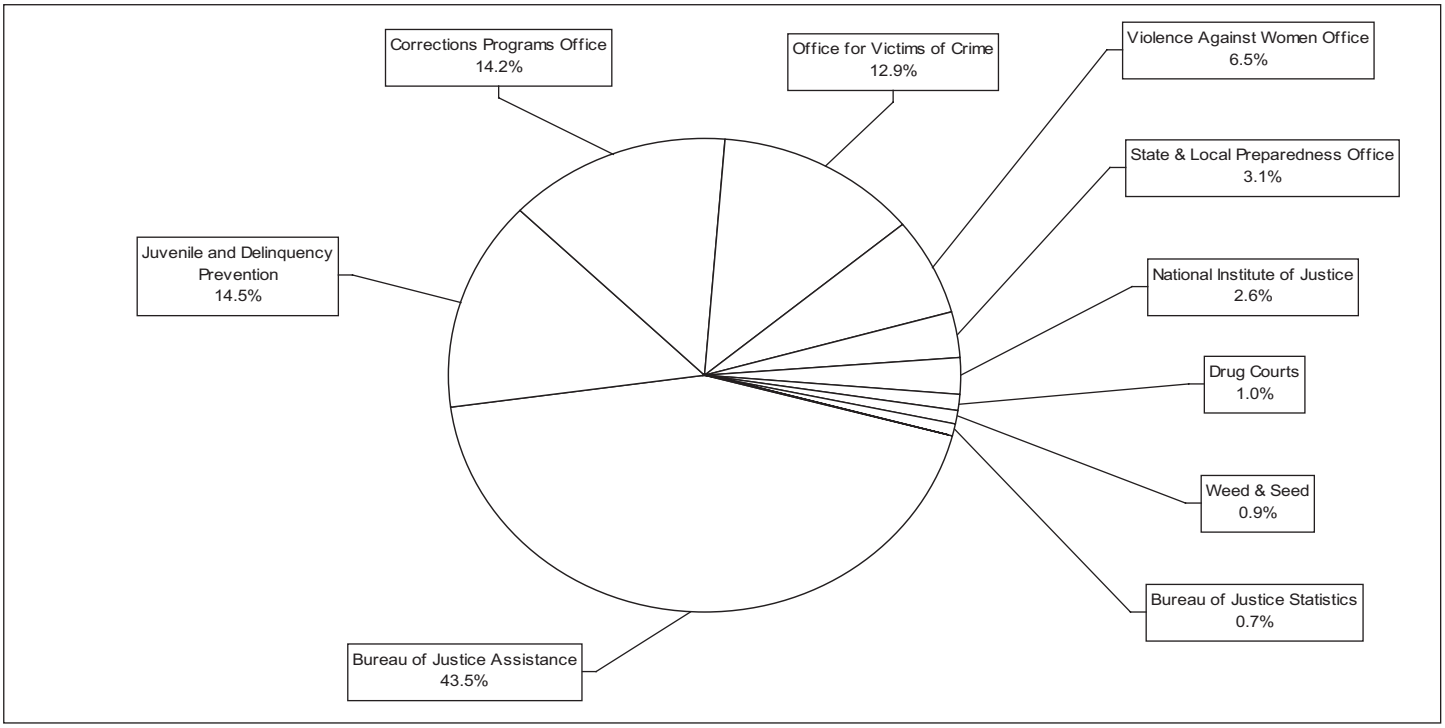
Appendix II: OJP's Budget



Note: Annual totals include Crime Victims Fund collections and Public Safety Officers' Benefits Program and exclude Management and Administration.

Source: OJP Office of Budget and Management Services.

Appendix III: OJP's FY 2000 Budget by Program Office and Bureau



Source: OJP Office of Budget and Management Services.

Related GAO Products

Justice Impact Evaluations: One Byrne Evaluation Was Rigorous; All Reviewed Violence Against Women Office Evaluations Were Problematic, GAO-02-309 (Washington, D.C.: March 7, 2002).

Justice Discretionary Grants: Byrne Program and Violence Against Women Office Grant Monitoring Should Be Better Documented, GAO-02-25 (Washington, D.C.: November 28, 2001).

Juvenile Justice: OJJDP Reporting Requirements for Discretionary and Formula Grantees and Concerns About Evaluation Studies, GAO-02-23 (Washington, D.C.: October 30, 2001).

Juvenile Justice: Better Documentation of Discretionary Grant Monitoring Is Needed, GAO-02-65 (Washington, D.C.: October 10, 2001).

Internal Control: Standards for Internal Control in the Federal Government, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999).

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