

# Ensuring Financial Accountability of Department Contracts, Grants, and Pandemic-Related Funds

---

## Contracts Oversight

## Grants Oversight

## CARES Act Administration and Oversight

fair and reasonable price. As a result, the OIG estimated that the contractor received from BOP over \$900,000 in additional profit because the project took significantly less time to complete than estimated for the firm-fixed-price contract.

## Grants Oversight

The total dollar amount of DOJ's grant awards has increased substantially in recent years after Congress more than tripled the annual amount of Crime Victim Funds (CVF) available for the provision of victim services through grants awarded by OJP. From [FY 2015 to FY 2020](#), Congress [appropriated](#) over \$2 billion each year in additional CVF funds, and in [FY 2021](#), Congress appropriated over \$1.2 billion in CVF funds. Each of these years, Congress provided \$10 million to the OIG for oversight of these CVF grants. Separately, DOJ has received additional grant funds to specifically address the COVID-19 pandemic, which we discuss below. A continuing challenge for the Department is to ensure that it has adequate controls over the management of grant funds with respect to both CVF-related grants and other types of grants.

### CVF Grants to State Entities

Established by the Victims of Crime Act of 1984, the CVF collects criminal fines and penalties which is then distributed to states and territories through grants by DOJ to support victim services.<sup>4</sup> OJP administers the CVF by sending states and territories funding directly through the Victims of Crime Act victim assistance and compensation formula grants and awarding discretionary grants to state and local public and private entities to support national scope projects, training, and technical assistance that enhance the professional expertise of victim service providers. From FY 2015 to FY 2020, the Department [issued grants](#) from the CVF that totaled over \$14 billion. In addition to 10 audit reports about specific CVF state grants in FY 2021, the OIG issued two comprehensive audits in [2017](#) and [2019](#) on OJP's management of the CVF, which found, among other things, that CVF grant recipients struggled with monitoring thousands of subrecipients. For example, in September 2021, the OIG released an [audit](#) on three grants totaling over \$100 million that found, among other things, that the grantee did not complete its monitoring activities on a timely basis and performed inadequate oversight of subrecipient financial reporting and matching funds. The report also identified over \$1.5 million in questioned costs. These issues demonstrate how poor financial monitoring can increase the risk that government funds will not be used in compliance with federal regulations. In meeting this challenge, the Department must remain vigilant in its instructions to and oversight of grantees to ensure taxpayer funds are expended for the intended purpose, and to advance the objectives of the grant program.

### Other DOJ Grants

In addition to the approximately \$1.8 billion in CVF [formula grants](#) awarded to states and territories in FY 2020, the Department awarded over \$3.6 billion in other grants (see Figure 2). The OIG continues to identify significant challenges facing the Department in its oversight of these other types of grants.

One of the most pressing challenges for the Department is implementing its new grants management system. Recently, OJP, the Office of Community Oriented Policing Services, and the Office of Violence Against Women announced that award recipients must register with JustGrants, a new grant management system that replaces and integrates the functions of the previously used Grants Management System, NexGen, and the Grants



<sup>4</sup>34 U.S.C. § 20101.