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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

April 24, 2020

Mr. Michael Green
Executive Deputy Commissioner
Division of Criminal Justice Services
Alfred E. Smith Office Building
80 South Swan Street
Albany, NY 12210

Re: Monitoring and Administration of
Public Protection Grant Programs
Report 2019-S-21

Dear Mr. Green:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we conducted an audit of the Division of Criminal Justice Services (Division) to determine whether the Division is adequately administering and monitoring selected public protection grant programs to ensure that grant expenses are supported and allowable under the related contracts. The audit covered Gun Involved Violence Elimination (GIVE) grant contracts that were active during the period July 1, 2016 to June 30, 2019, SNUG ("guns" spelled backward) grant contracts that were active during the period April 1, 2016 to June 30, 2019, and information provided by the Division through December 19, 2019.

Background

The Division's mission is to enhance public safety by providing resources and services that improve the quality of the criminal justice system. To that end, it administers 11 State and federal grant programs aimed at crime prevention and control. The Division's responsibilities include developing and executing contractual agreements with grant recipients, monitoring grantee performance and compliance with contract terms, and assessing grant program effectiveness by using grant recipient data to identify and replicate successful strategies and programs. We focused our audit efforts on the GIVE and SNUG programs, which together make up about \$19.2 million of the \$42.3 million in budgeted Division funding of public protection programs for the State Fiscal Year ended March 31, 2020 to entities such as law enforcement agencies and not-for-profit organizations.

Established in 2014, GIVE is a crime-fighting program designed to assist the 17 counties that account for about 85 percent of violent crime – such as aggravated assault, forcible rape, murder, and robbery – in the State, excluding New York City. The

17 counties covered by GIVE are Albany, Broome, Chautauqua, Dutchess, Erie, Monroe, Nassau, Niagara, Oneida, Onondaga, Orange, Rensselaer, Rockland, Schenectady, Suffolk, Ulster, and Westchester. The Division awards GIVE contracts to law enforcement agencies within these counties – including police departments, district attorney offices, sheriff offices, and probation departments – to support their efforts to reduce and prevent shootings and firearm-related homicides. GIVE contracts are generally for a one-year term that begins July 1 and ends June 30 and fund personnel, such as crime analysts, as well as equipment, training, and community outreach efforts. To be considered for funding, GIVE applicants must submit proposals that include evidence-based strategies to reduce gun violence, such as hot spot policing, street outreach, and procedural justice. In determining the amount funded, the Division considers factors such as gun violence statistics and county population.

SNUG is a violence-reduction initiative launched in 2009 that uses street outreach to address the issues causing gun violence and reduce gun-related incidents. The Division awards SNUG contracts to not-for-profit organizations that use community outreach and that involve residents, businesses, and community-based organizations in implementing strategies to reduce and prevent shootings and gun-related deaths. The grantees employ Street Outreach Workers, who make contact with individuals considered to be at high risk for involvement with gun-related incidents and help to facilitate peaceful resolution to conflict. The Street Outreach Workers live in the communities they serve, increasing the likelihood that they'll be seen as "credible messengers."

During the period July 1, 2016 through June 30, 2019, the Division annually awarded a total of about \$13.3 million to GIVE grantees; during the period April 1, 2016 through June 30, 2019, it annually awarded, on average, \$4.3 million in total SNUG grantees. The table below presents funding and number of grantees by contract year.

GIVE and SNUG Grant Funds and Number of Grantees

GIVE Grant Funds			SNUG Grant Funds		
Contract Year Ending	Funding	Number of Grantees	Contract Year Ending	Funding	Number of Grantees
June 30, 2017	\$13,330,467	71	2016	\$ 4,286,000	10
June 30, 2018	13,323,090	70	2017	3,748,080	10
June 30, 2019	13,311,472	69	2018	4,562,780	10
June 30, 2020	–	–	2019	4,780,000	10
Total	\$39,965,029		Total	\$17,376,860	

Results of Audit

We found that the Division adequately administered and monitored the GIVE and SNUG grant program contracts we reviewed to ensure that the related grant expenses were supported and allowable under the contracts. We visited six GIVE and four SNUG grantees and reviewed more than \$3.1 million of the combined \$57.3 million in GIVE and

SNUG expenditures during the three-year period January 1, 2016 to December 30, 2019, and found that virtually all were allowable and adequately supported. The exceptions we identified related to documentation of authorization or receipt of confidential funds.

Contract language requires both GIVE and SNUG grantees to submit quarterly vouchers to the Division for reimbursement. The Division's Finance Unit reviews vouchers to ensure they're reasonable, accurate, and include only expenses allowable under the grant. Though grantees aren't required to provide time records or supporting documents with their vouchers, they must maintain these records and make them available, if needed, for audit purposes. Other Division procedures include a goal of annual visits to grantees with contracts over \$100,000 to observe the funded program. Division personnel said that these visits focus on observing the funded program as well as payroll and overtime monitoring systems, though they don't review documentation that supports grantee reimbursements.

According to Division records, grant unit personnel visited the grantees that received 75 of the 145 GIVE and SNUG contracts valued over \$100,000 and that were active between April 1, 2016 and June 30, 2019 (for GIVE contracts) or between April 1, 2016 and December 31, 2018 (for SNUG contracts), and that represent \$24.6 of the \$47.3 million received. In response to our inquiry about this, Division officials stated that they do not have the resources to visit each grantee each year.

Confidential funds are those paid by law enforcement agencies – generally in cash – to confidential informants for tips and information. Division contract language requires that grantees that receive confidential funds have a record that includes signatures of the fund recipient, the officer authorizing the funds, and the approving officer. This requirement helps establish accountability over the funds and promotes their appropriate use. For the contract year July 1, 2018 through June 30, 2019, the contracts for seven GIVE grantees included a total of \$47,000 in budgeted confidential funds, with amounts ranging from \$1,000 to \$20,000 per grantee. For the three-year period we reviewed (July 1, 2016 through June 30, 2019), contracts for 13 GIVE grantees included a total of \$142,700 in budgeted confidential funds.

Of the six GIVE grantees we visited, two received confidential funds that totaled \$20,000 for the three-year period we reviewed. We found that, for one grantee that spent \$5,487 in confidential funds during the period, 13 of its 43 payments, totaling \$1,652, lacked a required signature or approval, including 2 with no recipient signature and 11 that lacked one of the required approvals. In response to our observations, Division officials acknowledged the need for grantees to support their use of these funds and said they would take appropriate follow-up action.

Recommendation

1. Take steps to increase GIVE grantee accountability over confidential funds. These could include, for example, reemphasizing the contract requirement to maintain a record of authorization of these funds, and verifying grantee compliance on a sample basis.

Audit Scope, Objective, and Methodology

The objective of this audit was to determine whether the Division is adequately administering and monitoring selected public protection grant programs to ensure expenses are allowable under the related contracts. The audit covered GIVE grant contracts active during the period July 1, 2016 to June 30, 2019, SNUG grant contracts active during the period April 1, 2016 to June 30, 2019, and information provided by the Division through December 19, 2019.

To accomplish our audit objectives, we became familiar with and evaluated the adequacy of the Division's internal controls as they relate to our audit objective. We also reviewed the Division's policies and procedures that establish oversight requirements for the GIVE and SNUG programs. Of the 210 GIVE contracts active during the period July 1, 2016 to June 30, 2019, valued at nearly \$40 million, we reviewed 18 contracts valued at \$7.3 million. Of the 46 SNUG contracts active during the period April 1, 2016 to June 30, 2019, valued at about \$17.4 million, we reviewed 20 contracts valued at \$8.3 million.

To determine if grant funds were supported by relevant documentation; allowable under and related to the funded program; and, where applicable (such as with equipment), existing at the location, we selected six GIVE and four SNUG grantees to visit. In selecting the ten grantees, we considered location in the State in an attempt to represent different areas; and type of expenditures, such as salaries and overtime, equipment, consultant costs, and rent. We interviewed officials from each grantee and reviewed relevant documentation, such as vouchers, receipts, time sheets, and overtime approvals.

In selecting GIVE expenditures to review, we selected a judgmental sample from the population of identifiable expenditures at each of the six grantees for the period we reviewed. We attempted to include high-dollar amounts and a variety of expenses in each judgmental sample. We also selected a random sample of 50 overtime payments at each of the four GIVE grantees with these payments. In selecting SNUG expenditures to review, we selected a random sample of 50 expenditures from each of the four grantees, for a total of 200 expenditures from a population of 1,575 expenditures for the period we reviewed. We did not design our samples to be projected to the entire population of contract expenditures, nor did we project them to the entire population of these expenditures.

We conducted our 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.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions, and public

authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

Reporting Requirements

We provided a draft copy of this report to Division officials for their review and formal written response. We considered their response in preparing this report and have included it in its entirety at the end of this report. Division officials agreed with our recommendation, and indicated the actions they will take to address it.

Within 180 days of the final release of this report, as required by Section 170 of the Executive Law, the head of the Division shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendation contained herein, and where the recommendation was not implemented, the reasons why.

Major contributors to this report were Sharon Salembier, Raymond Barnes, Kathy Garceau, Brindetta Cook, and Joseph Southworth.

We wish to thank Division management and staff for the courtesies and cooperation extended to our auditors during this audit.

Very truly yours,

Mark Ren
Audit Director

Agency Comments



Division of Criminal Justice Services

ANDREW M. CUOMO
Governor

MICHAEL C. GREEN
Executive Deputy Commissioner

March 25, 2020

Mark Ren
Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236-0001

Re: Audit Draft Report – 2019-S-21, Issued 02/28/2020

Dear Mr. Ren:

Thank you for the opportunity to respond to the draft report detailing the finding and recommendation related to the Office of the State Comptroller's (OSC) audit of the Division of Criminal Justice Services (Division) monitoring and administration of public protection grant programs.

For ease of review, we have listed OSC's recommendation followed by our response:

Take steps to increase GIVE grantee accountability over confidential funds. These could include, for example, reemphasizing the contract requirement to maintain a record of authorization of these funds, and verifying grantee compliance on a sample basis.

The Division concurs with this recommendation. DCJS has already reduced its inclusion of confidential funds in 2019-20 GIVE grant budgets to a statewide total of just \$27,000 (or 0.2 percent of total 2019-20 GIVE awards), and will follow up with any police department with confidential funds in their current project budgets to ensure that appropriate documentation is retained in support of their use. In future GIVE contract budgets, DCJS will eliminate the inclusion of confidential funds as an eligible expense.

Please contact John Clements at (518) 402-0600 if you have any questions.

Very truly yours,

A handwritten signature in blue ink that reads "Michael C. Green".

Michael C. Green
Executive Deputy Commissioner

cc: Mark White
Jeff Bender
John Clements