



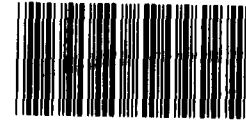
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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

GENERAL GOVERNMENT
DIVISION

DECEMBER 9, 1983

B-202245



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The Honorable Ike F. Andrews
Chairman, Subcommittee on Human
Resources
Committee on Education and Labor
House of Representatives

Dear Mr. Chairman:

Subject: Propriety Of Nonfederal
Cash Matching Requirements For
Juvenile Justice Grants
(GAO/GGD-84-28)

This letter is one of a series which will address the concerns in your April 29, 1983, request about the manner in which the Office of Juvenile Justice and Delinquency Prevention is implementing the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601 et seq.). In response to one of your concerns we reviewed the Office's fiscal year 1983 grant awards to determine whether (and to what extent) the Office has required nonfederal cash matching contributions from recipients of grant funds under title II, part B, subpart II (Special Emphasis Prevention and Treatment Programs) and part C (National Institute for Juvenile Justice and Delinquency Prevention) of the act since November 1982 and, if so, whether such requirements are legal and within the act's intent.

We studied the act, its amendments, and legislative history to determine what nonfederal contributions could be required of grantees by the Office of Juvenile Justice and Delinquency Prevention. We also reviewed grants awarded and being considered for awards under part B, subpart II and part C of the act during the period from November 1982 through September 1983. Our work was performed at the Office of Juvenile Justice and Delinquency Prevention in Washington, D.C., and was done in accordance with generally accepted government auditing standards.

We determined that matching contributions may not be required from part B, subpart II, grantees and that the Office has not required such contributions in any of these grants

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awarded during the period we reviewed. Matching contributions may be required from part C grantees at the discretion of the Administrator. Five part C grants awarded during the period we reviewed have nonfederal cash matching requirements.

Part B, Subpart II and Part C
Grants From November 1982 Through
September 1983

Under title II of the act, the Office of Juvenile Justice and Delinquency Prevention is authorized to provide grants for Special Emphasis Prevention and Treatment Programs (part B, subpart II), and for the National Institute for Juvenile Justice and Delinquency Prevention (part C). The Administrator is authorized under part B of the act to make special emphasis grants available for developing, implementing, and improving new programs to prevent or control juvenile delinquency and to improve the existing juvenile justice system. Section 228(c) of the act, amended in 1977, prohibits federal requirements for nonfederal matching contributions on grants funded under part B which were awarded after fiscal year 1978.

Fifty-two part B, special emphasis grants were awarded from November 1982 through September 1983 (totaling about \$10.5 million). Of the 52 special emphasis grants, 12 received nonfederal cash contributions; however, the Office did not require such contributions as a condition of the grants.

The Administrator is authorized under part C of the act to make grants available to programs that collect and synthesize data related to treatment and control of juvenile offenders; perform research, demonstrations, evaluations, and training functions; and develop standards for the juvenile justice system. Under Section 228(a) of the act, the Administrator is also authorized to require any form or amount of nonfederal matching contributions on part C grants. Twenty-five part C grants were awarded from November 1982 through September 1983 (totaling about \$5 million). Of these 25, 5 grants, in the Law Related Education Program, have nonfederal cash matching requirements.

Until fiscal year 1983, these projects were funded 100 percent by the Office of Juvenile Justice and Delinquency Prevention; however, in fiscal year 1983 this funding was reduced. Under the new procedures, each grantee is guaranteed

an initial federal payment for only part of their costs. For these five projects, the initial awards will range from 22 to 67 percent of requested funding. (See enc. I.) Then, when the grantee can certify nonfederal cash contributions, the Office will contribute additional funds. The new procedure will result in less federal funds flowing into Law Related Education Program grants. The Office will have reduced federal funding by 31 percent (\$426,000), compared to fiscal year 1982, if all matching funds are awarded. This reduction includes about \$109,000 from terminating a sixth grant which had been funded in fiscal year 1982. The Administrator is considering making fiscal year 1983 the last year for the Office to fund the Law Related Education grants.

Agency Comments

In commenting on a draft of this report the Department of Justice stated it generally concurs with the data and analyses. However, the Department felt a clarification should be made to show that the Law Related Education Program funding reduction of \$426,000 included not only the five grants made in fiscal year 1983 but also a sixth grant that had been funded in fiscal year 1982. (See enc. II.)

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We would be pleased to meet with you or your staff if you desire any additional information on this matter. As arranged with your office, we are sending copies of this report to the Attorney General and the Administrator, Office of Juvenile Justice and Delinquency Prevention. Copies will also be sent to other interested parties who request them.

Sincerely yours,

W. J. Anderson

William J. Anderson
Director

Enclosure

Fiscal Year 1983 Part C Grants With Cash
Match Requirements

<u>Grantee</u>	<u>Grant requested/approved</u>		<u>Percentage of request approved</u>	<u>Matching funds grantee/federal</u>		<u>Funding with full match¹</u>
	---(thousands)---		(percent)	--(thousands)--		(thousands)
National Institute For Citizen Education In The Law	\$ 300	\$200	67	\$ 50	\$ 50	\$ 300
Constitutional Rights Foundation	292	190	65	50	50	290
Law In A Free Society	290	190	66	50	50	290
American Bar Association	225	50	22	100	75	225
Phi Alpha Delta	<u>170</u>	<u>50</u>	29	<u>70</u>	<u>50</u>	<u>170</u>
Total	<u>\$1,277</u>	<u>\$680</u>	53	<u>\$320</u>	<u>\$275</u>	<u>\$1,275</u>

¹Assumes sufficient nonfederal contributions to receive all available federal matching funds.



U.S. Department of Justice

Washington, D.C. 20530

November 16, 1983

Mr. William J. Anderson
Director
General Government Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Anderson:

This letter responds to your request to the Attorney General for the comments of the Department of Justice on your proposed letter report to Congressman Ike F. Andrews entitled "Propriety of Non-Federal Cash Matching Requirements for Juvenile Justice Grants."

While we generally concur with the data and the analyses presented in the report, one clarification needs to be made to assure that the reader is not misled regarding the reduced level of funding of the Law Related Education Program grants. Page 3 of the draft report states that "The Office will have reduced federal funding by 31 percent (\$426,000) compared to fiscal year 1982, if all matching funds are awarded." While the statement is true, the manner in which the data on the enclosure (page 4) are presented leads the reader to believe that the funds of the five grantees listed were reduced \$426,000, which is not true. It appears that the total Law Related Education Program funds (\$1,380,417) expended in fiscal year 1982 for six projects were compared to the total funds (\$955,000) expended in fiscal year 1983 for five projects. If a comparison is made between the total funds the five listed projects received in fiscal year 1982 and the total funds the same five listed projects received in fiscal year 1983, the actual reduction is 25 percent (\$316,500). The report needs to be revised to preclude any misinterpretation.

We appreciate the opportunity to comment on the report while in draft form. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Kevin D. Rooney".

Kevin D. Rooney
Assistant Attorney General
for Administration