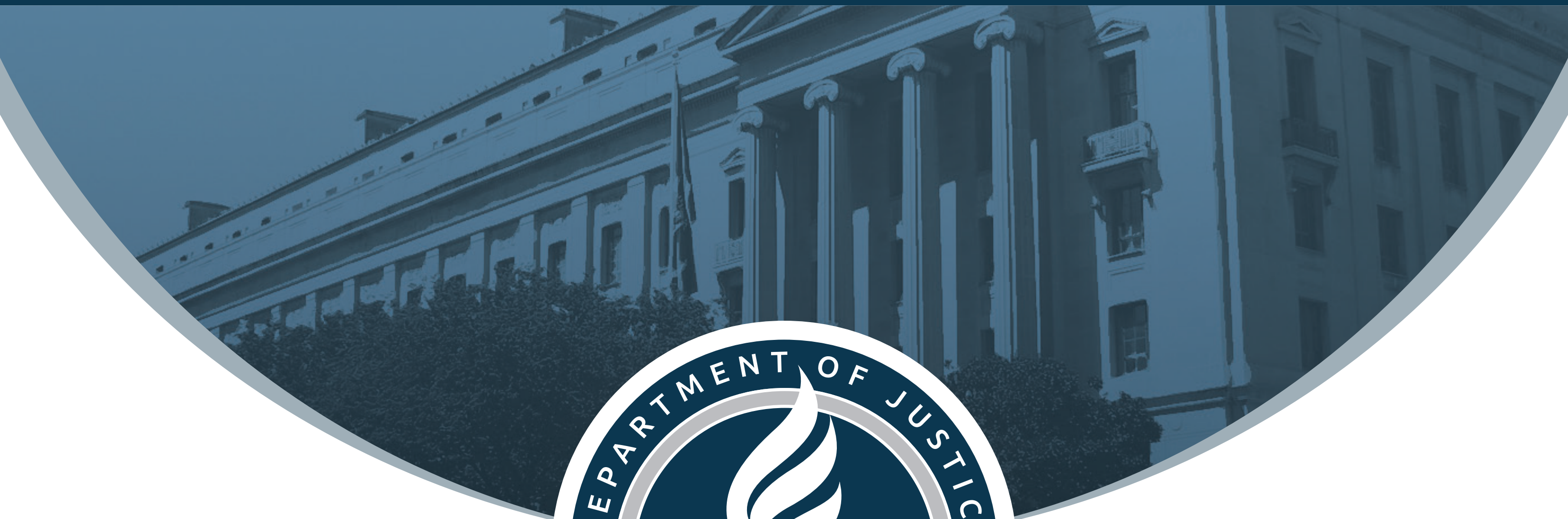

# Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention Juvenile Justice Mental Health Collaboration Program Grant Awarded to the Maryland Office of the Public Defender, Baltimore, Maryland

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AUDIT DIVISION

26-082

AUGUST 2026

# EXECUTIVE SUMMARY

## Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention Juvenile Justice Mental Health Collaboration Program Grant Awarded to the Maryland Office of the Public Defender, Baltimore, Maryland


### Objectives

The Office of Justice Programs (OJP) awarded the Maryland Office of the Public Defender (MD OPD) a grant, totaling $622,883, for the Juvenile Justice Mental Health Collaboration Program. The audit objectives were to determine whether: (1) costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and award terms and conditions; and (2) the grantee demonstrated adequate progress towards achieving program goals and objectives.

### Results in Brief

The audited grant required a partnership between a juvenile justice agency and a mental health agency (MHA). During the original 3-year grant period, MD OPD did not partner with a MHA that could provide the substance abuse treatment that the grant intended while spending $461,890. MD OPD provided support that no more than 10 of the 450 clients originally planned were served. After receiving approvals to extend the grant period by 2 years, MD OPD still did not have an OJP-approved partnership with an MHA and spent an additional $160,993. We also found inconsistent and unsupported progress report data. Also, we determined that MD OPD did not implement controls over grant activities, which caused issues with subrecipient monitoring, budget management, and grant expenditures, and federal financial reports (FFRs). As a result, we concluded that the grant requirements and the expected goal of the award were not met, and we identified $622,883 in questioned costs, which represents the entire grant amount.

### Recommendations

We made six recommendations to OJP. We requested a response to our draft report from MD OPD and OJP, which can be found in Appendices 3 and 4 respectively. Our analysis of those responses is included in Appendix 5.

### Audit Results

The grant's purpose was to increase public safety by facilitating collaboration among juvenile justice, mental health, and substance abuse agencies to improve responses and outcomes for youth with mental illness or co-occurring mental illness and substance abuse. The grant period was from October 2020 to September 2025, including two 1-year no-cost extensions. As of August 2025, MD OPD had drawn down the entire grant amount of $622,883.

#### Program Performance and Compliance with OJP Requirements

We determined that, for the duration of the grant period, MD OPD either did not have an MHA partner that could provide the substance abuse treatment or did not have an OJP-approved MHA partner at all. We concluded that MD OPD neither met the grant's requirements nor the expected goal of the award; therefore, we questioned $622,883. We also found inconsistencies within progress report data as MD OPD had both under and overreported its performance metrics and did not maintain supporting evidence. Despite the instances of non-compliance we identified, OJP's monitoring activities documented no issues.

After we presented our concerns to OJP officials, OJP initiated remote in-depth monitoring of six grants awarded to MD OPD, including the grant that is the subject of this report and a more recent ongoing grant, and identified similar issues on which it is working with MD OPD to address. OJP also informed us that it had developed a comprehensive, risk-informed monitoring and oversight strategy for State Administering Agencies (SAAs), such as MD OPD, which requires reviews of each SAA at least once every 4 years.

#### Grant Financial Management

We determined that MD OPD did not implement adequate policies or controls over its grant financial management. We identified significant deficiencies with subrecipient monitoring, budget management, grant expenditures, and FFRs.

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# Introduction

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) audited a $622,883 grant awarded to the Maryland Office of the Public Defender (MD OPD) by the Office of Justice Programs (OJP) Office of Juvenile Justice and Delinquency Prevention (OJJDP) under the Juvenile Justice Mental Health Collaboration Program (JJMHCP).

**Table 1**

**OJJDP JJMHCP Grants Awarded to the Maryland Office of the Public Defender**

| Award Number | Program Office | Project Start Date | Project End Date | Award Amount |
|---|---|---|---|---|
| 2020-MO-BX-0012 | OJP OJJDP | 10/01/2020 | 9/30/2025 | $622,883 |

Note: The original award ended September 30, 2023. OJP granted two 1-year no-cost extensions, ending the award on September 30, 2025. In addition, OJP awarded MD OPD another grant totaling $648,030 under the Youth Justice and Mental Health Collaboration Program with a grant period from October 1, 2024, through September 30, 2027, which was not included in this audit.

Source: JustGrants

Under 34 U.S.C. § 10651, *Adult and Juvenile Collaboration Programs*, JJMHCP funding supports partnerships between agencies focused on juvenile justice, mental health, and substance abuse. The goal is to improve public safety as well as responses and outcomes for youth: (1) with mental illness (MI) or co-occurring mental illnesses and substance abuse (CMISA), and (2) who come into contact with the juvenile justice system.[1]

## The Grantee

Established in July 1971, MD OPD is a Maryland state agency located in Baltimore, Maryland, that represents individuals in criminal, juvenile, parental defense, and involuntary commitment proceedings. In October 2020, MD OPD initiated the Lower Eastern Shore Juvenile Justice Mental Health Collaboration Project for Wicomico and Somerset Counties.

## OIG Audit Approach

The objectives of this audit were to determine whether: (1) costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and grant terms and conditions; and (2) the grantee demonstrated adequate progress toward achieving the program goals and objectives.

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[1] OJP OJJDP defines "youth" as individuals aged 11 to 17. The program goal reflects OJP's strategy of increasing public safety (i.e., reducing crime associated with individuals with MI or CMISA) by improving outcomes for justice-involved youth with MI and CMISA (i.e., reduced recidivism).

We assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports.

We tested compliance with key grant conditions using the DOJ Grants Financial Guide; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and award documents as primary criteria. The results of our analysis are discussed later in this report. Appendix 1 provides additional information on this audit's objectives, scope, and methodology. The Schedule of Dollar-Related Findings appears in Appendix 2.

# Audit Results

## Program Performance and Compliance with OJP Requirements

To assess MD OPD's progress towards the program goals and objectives, we reviewed progress reports, the grant solicitation, project proposal, and other grant documents. We also interviewed officials from OJP, the grantee, and subrecipient. Our review of the progress reports focused on accuracy and MD OPD's compliance with the award conditions identified in the grant documents.

The grant program goal was to increase public safety by facilitating cross-system collaboration among juvenile justice, mental health, and substance abuse agencies to improve responses and outcomes for youth. We determined that—for the duration of the grant period—MD OPD either did not partner with a mental health agency (MHA) that could provide substance abuse treatment (i.e., the MHA did not offer those services or plan to expand its capabilities to offer them) or did not have an OJP-approved MHA partner at all. As detailed below, we concluded that MD OPD neither met the grant's fundamental requirements nor the expected goal of the award, and we questioned the total $622,883 awarded and drawn down grant funds. In addition, we found inconsistencies in MD OPD's progress reports as MD OPD had both under and overreported its performance metrics and did not maintain supporting evidence.

### MD OPD Award Execution and OJP Oversight

The goal of the JJMHCP grant was to increase public safety by facilitating cross-system collaboration among juvenile justice, mental health, and substance abuse agencies to improve responses and outcomes for youth: (1) who come into contact with the juvenile justice system and (2) with MI or CMISA. The grant solicitation expressly stated that applicants must demonstrate that at least one juvenile justice agency and one MHA will participate in the administration of the program. MD OPD intended to offer legal representation and partner with an MHA to perform needs assessments and provide mental health therapy to children, adolescents, and families in two counties in Maryland's Lower Eastern Shore.[2] According to its grant application, MD OPD listed its selected MHA for the award. An MD OPD official explained that they selected the MHA as its partner based on prior collaboration and proximity to the target population.

Based on the project proposal narrative, MD OPD anticipated that the MHA would provide services to 150 clients annually, for a total of 450 clients over the original grant period, which began in October 2020. With 6 months remaining in the grant period, OJP approved a Grant Award Modification (GAM) that reduced the original annual goal from 150 to 30 clients in May 2023. The request stated that MD OPD received fewer court referrals than anticipated and the progress reports that preceded the request cited challenges related to the COVID-19 pandemic, the barriers of a rural area, and lower arrest rates among juveniles. Our review of MD OPD's grant activities and supporting documentation revealed that MD OPD's records contained evidence of only 10 clients being served during the original grant period when MD OPD had the OJP-approved MHA.

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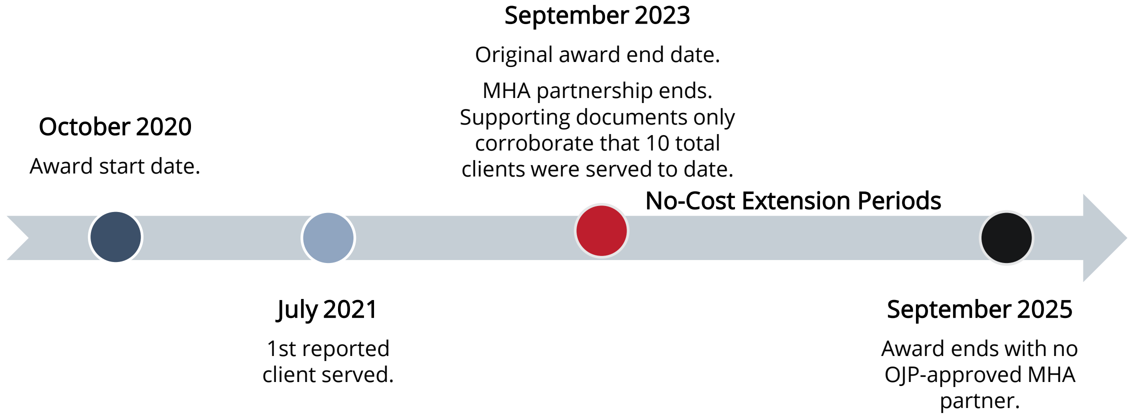
[2] MD OPD and its MHA identified Somerset and Wicomico counties as what OJP considers priority areas (e.g., rural, high-poverty, or persistent-poverty counties) with residents who would benefit from the services offered under the grant.

During our review of grant documents, we found that MD OPD listed a state agency as its substance abuse agency partner, but MD OPD did not formalize a partnership with that agency. In addition, we found that the MHA referred most participants to other mental health providers for in-house substance abuse treatment. In fact, the MHA informed us that it did not offer or plan to offer in-house substance abuse treatment, and that this was conveyed to MD OPD from the beginning of their partnership. Figure 1 below illustrates the full project timeline and key grant activities.

**Figure 1**

**Project Timeline and Grant Activities**




Source: OIG Analysis of Grant Documents

Within an internal document, OJP recommended the MD OPD application for funding, but noted the OJP Grant Manager was to provide additional oversight and training and technical assistance to mitigate concerns identified in the proposal. The additional oversight was to include on-site visits to monitor progress and support implementation of proposed goals and objectives. While we found that OJP provided oversight during the implementation phase, we did not find evidence of the additional oversight for the duration of the grant period. Based on our review of five completed OJP desk reviews, the DOJ Monitor did not document any issues, describing MD OPD as responsive, compliant with award conditions, and partnering well with others.[3]

As the award approached the original end date in September 2023, the established MHA partnership also ended. MD OPD requested and received two no-cost extensions, which extended the grant period through September 2025. However, MD OPD did not seek to continue its partnership with the MHA and recounted its challenges in the no-cost extension requests.

[3] Typically conducted by the awarding agency virtually, desk reviews are: (1) focused examinations of the relevant documentation and financial systems surrounding a grant program and (2) intended to facilitate and produce an evaluation of the recipient's capacity to manage its award. Desk reviews also can serve as a preliminary step before an actual site visit occurs.

While MD OPD's extension requests discussed a potential new MHA to presumably directly provide services to participants, we found no evidence of such a partnership being in place from October 2023 through the end of the grant in September 2025. During this time, MD OPD referred participants for services to other agencies that OJP had neither vetted nor approved as required by the grant solicitation. When we discussed the extensions and the required MHA partnership with the OJP Grant Manager, OJP explained that the extensions should not have been approved due to the lack of an MHA partnership accepted by OJP. However, we found the extensions were approved without evidence of a new MHA partnership.

**Grant Solicitation**

"OJJDP will only accept applications that demonstrate that the proposed project will be administered jointly by an agency with responsibility for juvenile justice activities and a mental health agency."

Because MD OPD did not partner with a substance abuse agency or an MHA that could provide substance abuse services, the grant requirements were not being met and the expected goal of the award was not achieved. Therefore, we recommend that OJP remedy $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.[4]

After the OIG completed fieldwork for this audit and presented our concerns to an OJP official, OJP initiated remote in-depth monitoring of six grants awarded to MD OPD and informed us that it identified similar issues on which it is working with MD OPD to address. The in-depth review included the grant that is the subject of this report and a grant awarded under the FY 2024 Youth Justice and Mental Health Collaboration Program with a grant period from October 1, 2024, through September 30, 2027. The in-depth monitoring is an enhanced desk review and includes reviews of internal controls, grant management procedures, budget modifications, financial reporting, and subrecipient oversight. Additionally, OJP informed us that it had developed a comprehensive, risk-informed monitoring and oversight strategy for State Administering Agencies (SAAs), such as MD OPD, which requires reviews of each SAA at least once every 4 years. In FY 2026, all SAAs for the state of Maryland, including MD OPD, were reviewed. As OJP continues its enhanced monitoring of SAAs, the results of this audit may assist OJP in the earlier detection of grantee non-compliance that may jeopardize program success.

### Program Performance and Required Progress Reports

According to the DOJ Grants Financial Guide, the funding recipient should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the grant solicitation. The original goal of this award was to serve 150 clients annually for a total of 450 clients. In May 2023, this goal was revised to 30 clients per year via a GAM. We judgmentally selected 10 performance metrics from two progress reports submitted for the 2024 calendar year to verify the accuracy of reported information. We note that the sampled period was during the first grant extension, and MD OPD did not have an approved MHA partner.

[4] From October 2020 through September 2023, MD OPD expended $461,890 (74 percent of the total award amount) in grant funds without partnering with a substance use partner or with an MHA that could provide the required services. From October 2023 through September 2025, MD OPD continued to expend $160,993 (26 percent of the award) in personnel costs for grant administration despite not having an MHA partner as required by the grant solicitation.

We attempted to trace the information reported to OJP for the sampled metrics to MD OPD's supporting documents. MD OPD provided spreadsheets that contained qualitative and quantitative information, but we found blank fields and inconsistencies, indicating both under and overreporting of progress. Additionally, MD OPD lacked sufficient evidence to support the number of individuals who received assistance during the sampled reporting periods. An MD OPD official explained that MD OPD had compiled the performance metrics based on verbal communication from the public defense attorney and detailed case notes. Based on our review of the spreadsheet and interviews with MD OPD officials, we determined that MD OPD did not have written policies and procedures for tracking and reporting performance and did not retain any further supporting documents for the performance metrics.

When we communicated our findings to MD OPD, an official acknowledged problems with MD OPD's data collection and informed us that, in January 2025, MD OPD had implemented a new performance metric tracker. When we discussed the variances with OJP, an official confirmed that OJP knew about the updated tracker while emphasizing that its deployment did not absolve MD OPD of its responsibility to comply with the grant requirements. Without detailed performance reporting procedures for staff, MD OPD has an increased risk of misrepresenting the grant's performance and the effectiveness of activities funded by the award. Although the grant period for the award we audited has ended, MD OPD has other ongoing awards with OJP that may share the same performance tracking and reporting risks that we identified. Therefore, we recommend that OJP ensure MD OPD implements procedures to report accurate performance data and retain proper supporting documentation for the reported performance.

## Grant Financial Management

According to the DOJ Grants Financial Guide and the Uniform Guidance, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for funds awarded to them.[5] To assess the MD OPD's financial management of the grant covered by this audit, we interviewed financial staff, examined policies and procedures, and inspected grant documents to determine whether MD OPD adequately safeguarded the grant funds we audited. We also reviewed the state of Maryland's Single Audit Report for the year ending June 30, 2023, to determine whether MD OPD had known internal control weaknesses and significant non-compliance issues related to federal awards.[6] Finally, we performed testing in the areas that were relevant for the management of this grant, as discussed throughout this report. Based on our previously described work, we determined that MD OPD did not implement controls over grant financial management activities, as we identified significant deficiencies with subrecipient monitoring, budget management, grant expenditures, and federal financial

[5] 2 C.F.R. § 200.302.

[6] Non-federal entities that receive federal financial assistance are required to comply with the Single Audit Act of 1984, as amended. The Single Audit Act requires recipients of federal funding above a certain threshold to receive an annual audit of their financial statements and federal expenditures. The audit is referred to as "single" because it includes all federal financial assistance that the entity has received and expended. Under the Uniform Guidance, such entities that expend $1,000,000 or more in federal funds within the entity's fiscal year must have a single audit performed annually covering all federal funds expended that year. Prior to October 1, 2024, the threshold for single audit requirements was $750,000.

reports (FFRs). In addition, MD OPD did not have comprehensive written policies and procedures over the financial management of the grant. Our financial management findings are detailed in the sections below.

### Subrecipient Monitoring

The DOJ Grants Financial Guide and the Uniform Guidance state that the substance of the activity that has been contracted or subawarded will be the major factor considered in determining if an arrangement is a contract or a subaward, and not the legal document executed between the recipient and the entity receiving federal funds.[7] It also states that if program activities are delegated to another entity, that delegation will generally be considered a subaward. Further, all pass-through entities are required to monitor their subrecipients. MD OPD considered the MHA a "partner" and memorialized the relationship via a Memorandum of Understanding, while the OJP Grant Manager considered it a "contract." Based on our review of the relationship and grant criteria, we concluded MD OPD should have considered its MHA partner a subaward recipient. Specifically, we found significant parts of the grant activities were delegated to the MHA, including performing needs assessments, mental health therapy, and substance abuse treatment, according to the project abstract and proposal narrative. Therefore, MD OPD was responsible for implementing and conducting subrecipient monitoring of the MHA and was required to oversee the performance of its subrecipient to ensure it achieved its goals and used grant funds in accordance with federal and program guidelines.

The DOJ Grants Financial Guide requires pass-through entities to have controls in place for collecting and reviewing supporting documents related to subrecipient costs as part of financial and performance monitoring activities. We reviewed three out of the seven MHA invoices totaling $113,747 (18 percent of the total award amount) in subrecipient expenses. The invoices were submitted quarterly and contained a lump sum for the monthly personnel, fringe benefits, and other expenses. Based on our review of the invoices and associated support, we found that the documents did not contain sufficient detail to ensure expenses were allowable, supported, and reasonable. For example, the invoices lacked support, such as timesheets or any evidence that grant-related work was being performed. When we discussed the lack of support, an MD OPD official stated that all relevant documents were provided to the audit team. Based on our review of the documents, we were unable to verify the selected sample expenditures, and we determined that MD OPD did not obtain sufficient supporting documents from the MHA.

In conclusion, we found no evidence that MD OPD: (1) evaluated the approved MHA's financial management systems; (2) monitored the approved MHA for compliance with the grant requirements; (3) engaged in any other subrecipient monitoring activities, such as evaluating the approved MHA's performance through site visits or desk reviews; or (4) verified compliance with single audit requirements. As a result, MD OPD did not comply with the Uniform Guidance subrecipient monitoring requirements. MD OPD also informed us that it did not have written policies and procedures on subrecipient monitoring, as required by the DOJ Grants Financial Guide. As mentioned previously, although the grant period ended in 2025, MD OPD has other ongoing awards with OJP, which could have issues similar to those identified in this audit. Therefore, we recommend that OJP require MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.

[7] 2 C.F.R. § 200.330.

## Budget Management and Control

According to the DOJ Grants Financial Guide, the recipient is responsible for establishing and maintaining an adequate accounting system, which includes the ability to compare actual expenditures or outlays with budgeted amounts for each award. Additionally, the grant recipient must initiate a Grant Award Modification (GAM) for a budget modification that reallocates funds among budget categories if the proposed cumulative change is greater than 10 percent of the total award amount.

We compared grant expenditures to the approved budget from February 2021 to determine whether MD OPD transferred funds among budget categories in excess of 10 percent of the award amount. We determined that the cumulative difference between category expenditures and approved budget category totals was not greater than 10 percent. During our fieldwork, we learned that MD OPD had its own working budget for the original 3-year grant period. However, MD OPD did not monitor and reconcile its proposed to actual expenditures for the duration of the grant period and did not request modifications despite no longer using funds toward the MHA. The lack of budget monitoring reduces financial transparency and creates an environment susceptible to mismanagement and inefficient use of resources. Because MD OPD has other ongoing awards with OJP, MD OPD should have proper internal controls to sufficiently manage those funds. Therefore, we recommend that OJP require MD OPD to develop and implement a control to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.

## Grant Expenditures

MD OPD's approved budget included personnel, fringe benefits, supplies, subawards, indirect costs, and matching costs. Between October 2020 and August 2025, MD OPD expended $622,883. As noted above in the Program Performance and Compliance with OJP Requirements section, we questioned the entire amount MD OPD received under the audited grant because MD OPD failed to implement the grant program in an adequate manner. Although we questioned the full award, we tested selected grant expenditures to determine whether the costs were otherwise allowable, supported, and properly allocated in accordance with award requirements. Our testing included a judgmental sample of transactions, ensuring at least one transaction from each approved budget category was reviewed.

## Personnel Costs

To test the personnel costs that MD OPD charged to the grant, we judgmentally selected a sample of eight personnel transactions totaling $10,643. For each transaction, we verified whether the costs: (1) reconciled to MD OPD's financial records, including timesheets and check registers, and (2) were approved for each employee in the budget, dated July 2023. We found that the salary and fringe benefit transactions tested were properly authorized and supported with documentation.

## Other Direct Costs

We reviewed MD OPD's accounting records and judgmentally selected a sample of 13 transactions, totaling $5,593, for mileage and tolls, subscriptions, and computer equipment. We compared the 13 transactions to source documents (e.g., invoices, receipts, proof of payment, and records of item receipt) to determine whether each transaction was accurately and appropriately approved in accordance with MD OPD guidelines, allowable, supported, and recorded in MD OPD's accounting records. We found the transactions were adequately supported with receipts.

## Indirect Costs

Indirect costs are costs of an organization that are not readily assignable to a particular project but are necessary to the operation of the organization and the performance of the project. We found that MD OPD elected to charge the Uniform Guidance-established de minimis indirect cost rate of 10 percent of modified total direct costs.[8] We tested the indirect costs from the end of FY 2021 through FY 2024, for a total of $24,850. We reviewed supporting documents and verified that MD OPD charged the de minimis rate appropriately.

## Matching Costs

Matching costs are the non-federal recipient's share of the total project costs. In addition, recipients must maintain records that clearly show the source, amount, and timing of all cost sharing contributions. In its approved budget, MD OPD's required in-kind match was 39 percent, a total of $398,059, which was to be contributed by the grant end date of September 30, 2025. MD OPD intended to use local funds to meet its match requirements by charging a portion of its personnel costs for individuals associated with but not paid with grant funds. We reviewed the matching costs to determine whether they complied with matching requirements, were properly supported, computed correctly, authorized, and accurately reported. As of March 2025, MD OPD recorded $395,280 in matching costs.

An MD OPD official explained MD OPD's practices related to matching costs without referencing formal guidance. We found that MD OPD relied on internal notes and payroll records to track the matching costs and lacked formal written policies and procedures. MD OPD provided documents, including payroll records and check registers, to support its in-kind costs. However, written policies and procedures would help ensure the accuracy of and support for MD OPD's calculations and serve as a reference to guide responsible personnel in their grant management. Because MD OPD has other ongoing awards with OJP, MD OPD should have proper internal controls to sufficiently manage those funds. Therefore, we recommend that OJP require MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.

## Drawdowns

According to the DOJ Grants Financial Guide, an adequate accounting system should be established to maintain documentation to support all receipts of federal funds. If, at the end of the grant award, recipients have drawn down funds in excess of federal expenditures, unused funds must be returned to the awarding agency. MD OPD's Fiscal Group reviews the quarterly expenses to identify the requested amount to be drawn down. An MD OPD Manager reviews, approves, and forwards the request to the Accounting Director to perform the actual drawdown. To assess whether MD OPD managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the

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[8] According to the Uniform Guidance, recipients and subrecipients that do not have a current federal negotiated indirect cost rate (including provisional rate) may elect to charge a de minimis rate of up to 10 percent of modified total direct costs for awards and subawards made prior to October 1, 2024, and 15 percent after October 1, 2024. Modified Total Direct Costs is defined in the Uniform Guidance as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward.

accounting records. We did not identify significant deficiencies related to MD OPD's process for developing drawdown requests.

## Federal Financial Reports

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report, as well as cumulative expenditures. To determine whether MD OPD submitted accurate FFRs, we compared and found that three out of the four reports for calendar year 2024 did not reconcile to MD OPD's accounting records, as shown in Table 4.

**Table 2**

**Comparison of the FFR's and Accounting Records in Calendar Year 2024**

| Reporting Period | Quarterly Report Date | FFR Cumulative Expenditures Amount | Accounting Records Cumulative Expenditures Amount | Difference |
|---|---|---|---|---|
| 1/01/2024—3/31/2024 | 4/29/2024 | $534,062 | $510,992 | $23,070 |
| 4/01/2024—6/30/2024 | 7/26/2024 | $561,482 | $561,482 | - |
| 7/01/2024—9/30/2024 | 10/28/2024 | $576,932 | $561,792 | $15,139 |
| 10/01/2024—12/31/2024 | 1/29/2025 | $599,002 | $576,583 | $22,419 |
| | | | **Total** | **$60,628** |

Note: The variance in the "Difference" column is due to rounding.

Source: OIG Analysis of JustGrants and MD OPD Accounting Records

When we inquired about the differences, an MD OPD official explained that personnel expenditures and indirect costs had not been included in the accounting records. However, this explanation accounted for amounts that were greater than the differences we identified, and MD OPD did not provide supporting documents to substantiate the amounts. We also found that MD OPD did not have adequate written FFR policies and procedures and, instead, the official responsible for grant financial management and reporting used informal notes to guide the process. These notes did not include sufficient control activities, such as regular reconciliations of the accounting records, to ensure the completeness and accuracy of the information being reported. Without reconciliation of the accounting records and written detailed policies and procedures, MD OPD personnel risk continuing to submit inaccurate FFRs or not identifying inaccuracies within MD OPD's records. Because MD OPD has other ongoing awards with OJP, MD OPD should have proper internal controls to sufficiently manage those funds. We recommend that OJP require MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly FFRs.

# Conclusion and Recommendations

The grant program goal was to increase public safety by facilitating cross-system collaboration between juvenile justice, mental health, and substance abuse agencies to improve responses and outcomes for youth. For the duration of the grant period, we determined that MD OPD either did not partner with a mental health agency (MHA) that could provide the substance abuse treatment or did not have an OJP-approved partnership with an MHA. We concluded that the grant requirements or the expected goal of the award was not met, and we identified $622,883 in questioned costs, which is the total award amount. In addition, we found inconsistencies in the progress reports as MD OPD had both under and overreported its performance metrics and did not maintain supporting evidence. Also, we determined that MD OPD did not implement controls over grant financial management activities, as we identified issues with subrecipient monitoring, budget management, grant expenditures, and federal financial reports (FFRs). We provide six recommendations to OJP to address the significant deficiencies.

We recommend that OJP:

1. Remedy $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.

2. Ensure MD OPD implements procedures to report accurate performance data and retain proper supporting documentation for the reported performance.

3. Require MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.

4. Require MD OPD to develop and implement a control to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.

5. Require MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.

6. Require MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly FFRs.

# APPENDIX 1: Objectives, Scope, and Methodology

## Objectives

The audit objectives were to determine whether (1) costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and grant terms and conditions; and to determine whether (2) the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and federal financial reports.

## Scope and Methodology

We conducted this 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.

This was an audit of the Office of Justice Programs (OJP) Office of Juvenile Justice and Delinquency Prevention (OJJDP) grants awarded to the Maryland Office of the Public Defender (MD OPD) under the Juvenile Justice Mental Health Collaboration Program. MD OPD was awarded grant 2020-MO-BX-0012 totaling $622,883. As of August 2025, MD OPD had drawn down nearly all $622,883 of the total grant funds awarded. Our audit concentrated on, but was not limited to, the period of October 2020 through August 2025. The project end date for the grant is September 30, 2025. MD OPD is a component of the state of Maryland. As a result, we reviewed the state of Maryland's FY 2023 single audit report.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of MD OPD's activities related to the audited grant. We performed sample-based audit testing for progress reports and grant expenditures including personnel charges, other direct costs, and financial reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grant reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The DOJ Grants Financial Guide; 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from DOJ JustGrants system as well as MD OPD's accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

### Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of MD OPD to provide assurance on its internal control structure as a whole. MD OPD's management is responsible for the establishment and maintenance of internal controls in accordance with the DOJ Grants Financial Guide and Uniform Guidance. Because we do not express an opinion on the MD OPD's internal control structure as a whole, we offer this statement solely for the information and use of MD OPD and OJP for external audits.[9]

In planning and performing our audit, we identified particular internal controls and underlying internal control principles to be significant to the audit objectives. Specifically, our review of internal controls covered MD OPD establish grant policies and procedures pertaining to aspects of award performance and financial management. We tested the implementation and operating effectiveness of specific controls over the award activity occurring within our scope. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

[9] This restriction is not intended to limit the distribution of this report, which is a matter of public record.

# APPENDIX 2: Schedule of Dollar-Related Findings

| Description | Amount | Page |
|---|---|---|
| **Questioned Costs:**[10] | | |
| Unallowable Costs Due to Non-Compliance with the Program Requirements and Goals | $622,883 | 5 |
| | | |
| TOTAL DOLLAR-RELATED FINDINGS | $622,883 | |

[10] **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, the provision of supporting documentation, or contract ratification, where appropriate.

# APPENDIX 3: The Maryland Office of the Public Defender's Response to the Draft Report

MARYLAND OFFICE OF THE PUBLIC DEFENDER

NATASHA M. DARTIGUE
PUBLIC DEFENDER

KEITH LOTRIDGE
DEPUTY PUBLIC DEFENDER

July 14, 2026

Shenika N. Cox, Regional Audit Manager
Washington Regional Audit Office
Office of the Inspector General
U.S. Department of Justice
950 Pennsylvania Ave NW
Washington, DC 20530

Dear Ms. Cox:

The Maryland Office of the Public Defender (MD OPD) has reviewed the draft audit report shared by the Department of Justice, Office of the Inspector General (OIG) on June 23, 2026, regarding the Juvenile Justice Mental Health Collaboration Program (JJMHCP) grant number 2020-MO-BX-0012. MD OPD thanks the Office of the Inspector General (OIG) for its diligence in conducting this audit and welcomes the opportunity to respond to its findings.

MD OPD acknowledges the administrative deficiencies identified in the report, particularly regarding performance reporting, subaward monitoring, budget monitoring, matching-cost tracking, and financial reporting. MD OPD has since implemented revised policies and procedures to address each of these areas, as noted in detail below, and is committed to sustaining these improvements going forward.

While administrative compliance is an essential component of grant management, the administrative deficiencies identified by OIG did not affect MD OPD's capacity to fulfill the objectives of the award. The grant's programmatic objectives were achieved.

Consistent with the nature of these findings and applicable grant administration principles, MD OPD respectfully requests that any financial remedy be limited to questioned costs directly attributable to the identified compliance deficiencies, rather than applied to the entirety of the grant award. This approach appropriately reflects the nature of the findings while preserving accountability and recognizing the successful execution of the grant's substantive objectives.

MD OPD takes its stewardship of public funds seriously and has used the audit process to strengthen its grant administration systems while continuing to deliver high-quality services to its clients and communities. MD OPD welcomes continued engagement with OIG to ensure full compliance going forward.

Office of the Public Defender, 6 St. Paul Street, Suite 1400, Baltimore, MD 21202
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**Recommendation 1: Remedy $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.**

**MD OPD Response: Disagree.** MD OPD met the grant requirements and goals, consistent with its project design, and as approved by the grantor (the U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP)) throughout the project period.

**I. Approved Project Design**

OJP awarded MD OPD $622,883 for the Eastern Shore Juvenile Justice Mental Health Collaboration Project (2020-2025). The project targeted justice-involved and at-risk youth with mental illness or co-occurring mental health and substance use needs in rural Eastern Shore counties, thereby combining MD OPD's legal and social work functions with community treatment resources.

The grant required a two-phase planning and implementation process, guided by OJJDP and a technical assistance provider. (Solicitation, p. 6) Project implementation could not begin until a Planning and Implementation (P&I) Guide was approved by OJJDP. (Id.) The project proposal and approved P&I Guide assigned MD OPD responsibility for screening, assessments, individualized service planning, case management, and court coordination. MD OPD social workers would primarily refer clients to the grant's subrecipient (a mental health agency), as well as other mental health agencies and community service providers named in the P&I guide, depending on the client's needs. This model was consistent with the governing statute, which authorized programs to provide case management services and to "support, administer, or develop treatment capacity and increase access to mental health care and substance use disorder services." (34 U.S.C. § 10651(b)(5)(I)(vii-viii)).

**II. Implementation and Oversight**

The project met significant implementation challenges. Services began in 2021, while COVID-19 pandemic restrictions were in place. These restrictions contributed to a significant reduction in arrests as law enforcement activity slowed and court operations shifted to accommodate public health guidance. The decline in arrests resulted in fewer MD OPD clients during this period, and limited court and mental health services compounding existing rural service gaps. Clients' needs were more complex than anticipated, requiring additional stabilization and case management services. The original subrecipient did not provide all of the services clients required, so MD OPD partnered with other mental health agencies as necessary.

MD OPD operated with full transparency about these challenges, communicating directly with OJJDP through progress reports and the Grant Award Modification (GAM) process. In doing so, MD OPD complied with applicable regulations, which require prior approval for material revisions to budget and program plans. (2 C.F.R. § 200.308 (2020)). OJJDP appropriately approved modifications to the project that allowed MD OPD to complete the project's goals.

OJJDP provided an affirmative assessment of the program in its remarks on a GAM:

> "The OJJDP Grants Management Specialist fully supports the awardee's request for a 12-month performance period extension. Despite the challenges, the awardee has worked diligently to adapt and continue services in their community and is satisfactorily implementing its program. The awardee consistently submits requests and deliverables in a timely manner, remains current on all

federal financial and programmatic progress reporting requirements, and achieves compliance with all award conditions." (OJJDP Assessment for GAM-597706 at 1).

OJJDP's affirmative assessments of the project, which followed these detailed reports, confirm that the service model was known, vetted, and found consistent with grant obligations by OJJDP, the grantor. OJJDP conducted five desk reviews during the grant period and described MD OPD as "responsive, compliant with award conditions, and partnering well with others" (Audit Report, p.4). These contemporaneous performance assessments are more reliable than later analyses because they more accurately account for real-time obstacles.

**III. Performance Targets**

The approved Planning & Implementation Guide set a service goal of 50 clients per year, which was later adjusted to 30 clients per year, through OJJDP-approved GAMs. The service goal for the project was thirty (30) clients served per year. The project proposal included a caseload limit of 150 clients per year, which the audit report erroneously cites as a service goal.

MD OPD served 48 clients and referred 29 of them to mental health agencies; ten clients were referred to the subrecipient. The audit report appears to count only those clients referred to the subrecipient as served by the project. Consistent with the approved project design, services were provided by MD OPD and a network of external service providers. Partnerships with other mental health agencies were not formalized because no grant funds were used for their services. By making these connections, the project achieved its goals of expanding collaboration between juvenile justice and mental health systems. In addition, while MD OPD served fewer clients than had projected, the project delivered meaningful services to the young people in crisis whom it did reach. Clients received clinical social work and case management services from MD OPD staff; were connected to external mental health and substance use treatment, and other community resources; and demonstrated significant improvements in protective factors (e.g., improved mental health, family relationships, and school engagement).

**IV. Allowable Costs**

In conclusion, the grant costs were allowable because they supported services that achieved the project's authorized purpose and were reviewed and approved by the grantor.

**Recommendation 2: Ensure MD OPD implements procedures to report accurate performance data and retain proper supporting documentation for the reported performance.**

**MD OPD Response: Agree.** MD OPD recognized the need to improve data collection and reporting procedures. While MD OPD provided services to the children in need, it acknowledges the deficiencies in data and record-keeping. In January 2025, MD OPD implemented a new performance metric tracker to ensure that performance data was accurately captured and that MD OPD retains the proper supporting documentation required to substantiate progress reports moving forward. MD OPD Federal Grants Management Accounting Policy (OPD-2026-09), enacted May 1, 2026, requires that program staff prepare performance reports that align with financial data and program outcomes.

**Recommendation 3: Require MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.**

**MD OPD Response: Agree.** To address this deficiency, MD OPD officially enacted the Grant Subrecipient Monitoring Policy (OPD-2026-08), effective May 1, 2026. This policy establishes comprehensive and uniform requirements for the selection, monitoring, and oversight of grant subrecipients in full compliance with 2 CFR § 200.332. It institutes mandatory subrecipient risk assessments, outlines strict financial and programmatic reporting requirements, and mandates periodic on-site or virtual monitoring reviews.

**Recommendation 4: Require MD OPD to develop and implement a control to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.**

**MD OPD Response: Agree.** On May 1, 2026, MD OPD enacted the Federal Grants Management Accounting Policy (OPD-2026-09) to strengthen its internal financial controls. Section 4.2 of this policy directly addresses budgetary control, establishing that all expenditures must be tracked by approved budget categories and continuously monitored against the approved grant budget. MD OPD's fiscal grant personnel are currently undergoing Training I—DOJ Grant Financial Management Training—via the OJP platform for awards issued after August 13, 2020; the agency is committed to ensuring all staff finalize this curriculum by July 31, 2026.

**Recommendation 5: Require MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.**

**MD OPD Response: Agree.** MD OPD's newly enacted Federal Grants Management Accounting Policy (OPD-2026-09) formalizes its cost-sharing procedures. Section 8.2 explicitly requires that all match contributions must be verifiable, necessary and reasonable, and not used for any other Federal award.

**Recommendation 6: Require MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly FFRs.**

**MD OPD Response: Agree.** MD OPD has instituted strict protocols for Federal Financial Reports (FFRs) in accordance with the Federal Grants Management Accounting Policy (OPD-2026-09). Section 7.1 requires that FFRs be accurate, complete, and fully supported by accounting records. Furthermore, Section 7.2 mandates that the Finance Division reconcile the FFRs with the general ledger and the grant budget at least quarterly.

MD OPD again thanks the OIG for its diligence in conducting this audit. MD OPD is available to provide additional information as needed.

Sincerely,

MARYLAND OFFICE OF THE PUBLIC DEFENDER

Keith Lotridge, Esq.

Deputy Public Defender

# APPENDIX 4: The Office of Justice Programs Response to the Draft Audit Report

**U.S. Department of Justice**

Office of Justice Programs

*Office of Audit, Assessment, and Management*

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*Washington, DC 20531*

**July 24, 2026**

MEMORANDUM TO: Shenika N. Cox
Regional Audit Manager
Washington Regional Audit Office
Office of the Inspector General

LeToya A. Johnson

Digitally signed by LETOYA JOHNSON
Date: 2026.07.24 16:37:17 -04'00'

FROM: LeToya A. Johnson, CPA
Acting Deputy Director
Audit and Review Division

SUBJECT: Response to the Draft Report, *Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention Juvenile Justice Mental Health Collaboration Program Grant Awarded to the Maryland Office of the Public Defender, Baltimore, Maryland*

This memorandum is in reference to your correspondence, dated June 23, 2026, transmitting the above-referenced draft audit report for the Maryland Office of Public Defender (MD OPD). We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **six** recommendations and **$622,883** in questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

1. **We recommend that OJP remedy $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.**

   OJP agrees with this recommendation. We will work with MD OPD to remedy the $622,883 in questioned costs relating to Award Number 2020-MO-BX-0012, as appropriate.

2. **We recommend that OJP ensure MD OPD implements procedures to report accurate performance data and retain proper supporting documentation for the reported performance.**

   OJP agrees with this recommendation. We will coordinate with MD OPD to obtain a copy of written policies and procedures implemented to ensure that accurate performance data is reported and proper supporting documentation is retained for the reported performance.

3. **We recommend that OJP require MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.**

   OJP agrees with this recommendation. We will coordinate with MD OPD to obtain a copy of written policies and procedures implemented for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.

4. **We recommend that OJP require MD OPD to develop and implement a control to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.**

   OJP agrees with this recommendation. We will coordinate with MD OPD to obtain a copy of written policies and procedures implemented to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.

5. **We recommend that OJP require MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.**

   OJP agrees with this recommendation. We will coordinate with MD OPD to obtain a copy of formal written policies and procedures implemented to track matching costs.

6. **We recommend that OJP require MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly FFRs.**

   OJP agrees with this recommendation. We will coordinate with MD OPD to obtain a copy of written policies and procedures implemented to accurately complete and maintain support for its quarterly Federal Financial Reports.

We appreciate the opportunity to review and comment on the draft audit report. Please let us know if you have any questions or require additional information. I can be reached by email at LeToya.Johnson@usdoj.gov or by phone on (202) 353-5744.

cc: Maureen A. Henneberg
Deputy Assistant Attorney General
Office of Justice Programs

Eileen Garry
Acting Administrator
Office of Juvenile Justice and Delinquency Prevention
Office of Justice Programs

cc: Nathanial T, Kenser
Acting Deputy General Counsel
Office of Justice Programs

Phillip Merkle
Acting Director
Office of Communications

Rachel Johnson
Chief Financial Officer
Office of Justice Programs

Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

Jorge L. Sosa
Director, Office of Operations – Audit Division
Office of the Inspector General

OJP Executive Secretariat
Control Number OCOM002214

# APPENDIX 5: The Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The Department of Justice (DOJ) Office of the Inspector General (OIG) provided a draft of this audit report to the Office of Justice Programs (OJP) and the Maryland Office of the Public Defender (MD OPD). The MD OPD and OJP responses are incorporated in Appendices 3 and 4, respectively, of this final report. In response to our draft audit report, OJP agreed with all six recommendations and, as a result, the status of this audit report is resolved. MD OPD agreed with five of our recommendations and disagreed with one. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

**Recommendations for OJP:**

1. **Remedy $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.**

   <u>Resolved.</u> OJP agreed with our recommendation and stated in its response that it will work with MD OPD to remedy the $622,883 in questioned costs. As a result, this recommendation is resolved.

   MD OPD disagreed with our recommendation and stated in its response that it met the grant requirements and goals, consistent with its project design, and as approved by the grantor throughout the project period. MD OPD also stated that the project proposal and approved Planning and Implementation Guide (P&I Guide) assigned MD OPD (and its social workers) the responsibility for referring clients to the mental health agency (MHA) as well as other MHAs and community service providers named in the P&I Guide, depending on each client's needs. MD OPD stated that its original subrecipient did not provide all the services required, so MD OPD partnered with other MHAs as necessary. MD OPD further stated that OJJDP appropriately approved project modifications that allowed MD OPD to complete the project's goals. MD OPD stated that it served 48 clients (including 29 referred to MHAs and 10 referred to the OJP-approved MHA/subrecipient). Additionally, MD OPD stated that the services it provided using a network of external service providers and partnerships with other MHAs were: (1) consistent with the approved project design, (2) not formalized because no grant funds were used for those services, and (3) allowable because they supported services that achieved the project's authorized purpose and were reviewed and approved by the grantor.

   Although MD OPD's response states that it met the grant requirements and project goals through referrals to multiple MHAs and community service providers, our audit found that only a limited number of individuals were ultimately served under the revised project goals. MD OPD also did not maintain sufficient documentation to support the reported performance results or to demonstrate the extent of services provided. As discussed in our report, MD OPD lacked written procedures for tracking and reporting performance metrics and relied on spreadsheets, verbal communications, and case notes that contained inconsistencies and incomplete information. Without adequate supporting documentation, we could not verify the reported accomplishments or determine whether grant-funded activities were carried out as represented. Moreover, MD OPD did not meet certain foundational award expectations, such as partnering with an approved MHA. As a result of these factors, we questioned the totality of the grant expenditures, and OJP should work with MD OPD to remedy these costs.

This recommendation can be closed when we receive evidence that OJP remedied the $622,883 in unallowable costs relating to MD OPD's non-compliance with the grant requirements and goals.

2. **Ensure MD OPD implements procedures to report accurate performance data and retain proper supporting documentation for the reported performance.**

   Resolved. OJP agreed with our recommendation. OJP stated in its response that it will coordinate with MD OPD to obtain a copy of the written policies and procedures that MD OPD implemented to ensure that it: (1) reports accurate performance data and (2) retains proper documents to support the reported performance. As a result, this recommendation is resolved.

   MD OPD agreed with our recommendation and stated in its response that it recognized the need to improve data collection and reporting procedures. MD OPD also acknowledged its deficiencies in data and record-keeping and emphasized the performance metric tracker, which it implemented and previewed for our team during the audit. MD OPD intends to use the performance metric tracker to ensure performance data is accurately captured, supported, and retained going forward. MD OPD further stated that its Federal Grants Management Accounting Policy (effective May 2026) requires program staff to prepare performance reports that align with financial data and program outcomes.

   This recommendation can be closed when we receive evidence that OJP ensured that MD OPD implemented procedures to report accurate performance data and retain proper supporting documents for the reported performance.

3. **Require MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.**

   Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with MD OPD to obtain a copy of the written policies and procedures that MD OPD implemented for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance. As a result, this recommendation is resolved.

   MD OPD agreed with our recommendation and stated in its response that it officially enacted a Grant Subrecipient Monitoring Policy in May 2026. MD OPD stated that the policy established comprehensive and uniform requirements for the selection, monitoring, and oversight of grant subrecipients in full compliance with the Uniform Guidance. MD OPD also stated that the policy institutes mandatory subrecipient risk assessments, outlines strict financial and programmatic reporting requirements, and mandates periodic on-site or virtual monitoring reviews.

This recommendation can be closed when we receive evidence that OJP required MD OPD to develop and implement policies and procedures for monitoring subrecipients to verify that all fiscal and programmatic responsibilities are fulfilled in accordance with the Uniform Guidance.

4. **Require MD OPD to develop and implement a control to ensure expenditures are in line with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.**

   Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with MD OPD to obtain a copy of the written policies and procedures that MD OPD implemented to ensure its expenditures align with the approved budget and that MD OPD pursues appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant. As a result, this recommendation is resolved.

   MD OPD agreed with our recommendation and detailed its Federal Grants Management Accounting Policy (effective May 2026), which is a budgetary control policy that requires all expenditures to be: (1) tracked by approved budget categories and (2) continuously monitored against the approved grant budget. MD OPD stated that its fiscal grant personnel are currently participating in DOJ Grant Financial Management Training and, MD OPD is committed to ensuring all staff complete this curriculum by July 31, 2026.

   This recommendation can be closed when we receive evidence that OJP required MD OPD to develop and implement a control to ensure expenditures align with the approved budget and pursue appropriately detailed modifications, as required, to ensure funds are spent in accordance with the grant.

5. **Require MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.**

   Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with MD OPD to obtain a copy of the formal written policies and procedures that MD OPD implemented to track matching costs. As a result, this recommendation is resolved.

   MD OPD agreed with our recommendation and stated in its response that its newly enacted Federal Grants Management Accounting Policy formalizes its cost sharing procedures. MD OPD stated that the policy explicitly requires that all match contributions be verifiable, necessary, and reasonable, and not used for any other federal award.

   This recommendation can be closed when we receive evidence that OJP required MD OPD to develop and implement formal written policies and procedures related to the tracking of matching costs.

6. **Require MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly Federal Financial Reports (FFRs).**

   Resolved. OJP agreed with our recommendation and stated in its response that it will coordinate with MD OPD to obtain a copy of the written policies and procedures that MD OPD implemented to accurately complete and maintain support for its quarterly FFRs. As a result, this recommendation is resolved.

   MD OPD agreed with our recommendation and stated in its response that it instituted protocols for FFRs in accordance with its new Federal Grants Management Accounting Policy. MD OPD stated that the policy requires its Finance Division personnel to reconcile FFRs with the general ledger and the grant budget at least quarterly to ensure that FFRs are accurate, complete, and fully supported by accounting records.

   This recommendation can be closed when we receive evidence that OJP required MD OPD to develop written policies and procedures to accurately complete and maintain support for its quarterly FFRs.