

UNITED STATES DEPARTMENT
OF
JUSTICE



**THE ATTORNEY GENERAL'S
SEMIANNUAL MANAGEMENT REPORT
TO CONGRESS**

October 1, 2018 – March 31, 2019

Background

In accordance with the Inspector General Act of 1978, as amended, the Department of Justice (Department or DOJ) provides the following management report.¹ The report describes the Department's actions during the semiannual period ended March 31, 2019, to address recommendations from the OIG provided in audit, inspection, and evaluation reports. The first section provides information on the status of final action for OIG reports with recommendations that funds be put to better use. The second section provides information on the status of final action for OIG reports with disallowed costs. The third and final section of the report, which addresses a reporting requirement for OIG audit reports only, provides the status of final action for reports open longer than one year for which management decisions have been made but final action has not been completed. During the semiannual reporting period, DOJ components implemented policy and management changes to close 195 recommendations that had been open longer than one year.

DOJ Management Report on Final Action

1. Status of Final Action for OIG Reports with Recommendations that Funds be Put to Better Use²

Status of Final Action on Funds to Better Use Recommendations (six-month period ended March 31, 2019)		
Category	FBU Recommendations	No. of OIG Reports
Value of FBU recommendations for which final action had not been completed by the beginning of the reporting period	\$0	0
Value of FBU recommendations agreed to by management in a final decision during the reporting period	\$4,758,803	
Value of FBU recommendations pending final action during the reporting period (sum of preceding two lines)	\$4,758,803	
Value of FBU recommendations for which final action was completed during the reporting period (sum of next two lines)	\$3,880,750	
FBU recommendations completed	\$3,880,750	
FBU recommendations that management subsequently concluded should not or could not be implemented or completed	\$0	
Value of FBU recommendations for which final action had not been completed by the end of the reporting period	\$878,053	

¹ Inspector General Act of 1978, as amended, 5 U.S.C. App.

² This section reflects the status of final action for OIG reports with recommendations that funds be put to better use (FBU) that management agreed to in a final decision, in accordance with the Inspector General Act, as amended. For purposes of this report, the term *FBU recommendation* means a recommendation by the OIG that funds could be used more efficiently if management took actions to implement and complete the recommendation.

2. Status of Final Action for OIG Reports with Disallowed Costs³

Status of Final Action on Disallowed Costs (six-month period ended March 31, 2019)			
Category	Disallowed Costs	No. of OIG Reports	
Value of disallowed costs for which final action had not been completed by the beginning of the reporting period	\$419,433	14	
Value of disallowed costs included in the total above that management determined during the reporting period to be allowable costs based on the review of additional information	\$20,294		
Subtotal	\$399,139		
Value of disallowed costs agreed to by management in a final decision during the reporting period	\$463,284		
Value of disallowed costs pending final action during the reporting period (sum of preceding two lines)	\$862,423		
Value of disallowed costs for which final action was completed during the reporting period (sum of next three lines)	\$676,700		
Disallowed costs recovered by management through collection, offset, property in lieu of cash, or other means	\$637,549		
Disallowed costs referred to the U.S. Department of the Treasury for collection	\$0		
Disallowed costs written off by management	\$39,151		
Value of disallowed costs for which final action had not been completed by the end of the reporting period	\$185,723		8

³ This section reflects the status of final action for OIG reports with disallowed costs, in accordance with the Inspector General Act, as amended. For purposes of this report, the term *disallowed cost* means an incurred cost questioned by the OIG that DOJ management, in a final decision, agreed should not have been charged to the Government. The term *final decision* means management has evaluated the finding and recommendation and made a decision concerning its response, including actions concluded to be necessary or that no action is necessary. The OIG can question costs for various findings such as, at the time of audit, costs were not supported by adequate documentation. Historically, the Department has been able to provide adequate support for the majority of OIG questioned costs, resulting in the questioned costs being deemed allowable.

3. Status of Final Action for OIG Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed⁴

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
ATF – Bureau of Alcohol, Tobacco, Firearms and Explosives					
17-17	Bureau of Alcohol, Tobacco, Firearms and Explosives' Management and Oversight of Confidential Informants	3/27/2017	5	3	The OIG has closed 3 of the 5 recommendations based on ATF completing final action. In addition, ATF has completed various actions related to the remaining recommendations involving implementation of a recordkeeping system to maintain confidential informant information and improving the monitoring of foreign national confidential informants to ensure their legal status does not lapse. ATF plans to complete final action on the recommendations in FY 2019.
18-21	Bureau of Alcohol, Tobacco, Firearms and Explosives Controls over Weapons, Munitions, and Explosives	3/30/2018	10	5	The OIG has closed 5 of the 10 recommendations based on ATF completing final action, and ATF awaits OIG concurrence that ATF has completed final action on 2 more recommendations. In addition, ATF has completed various actions related to the remaining 3 recommendations for tracking and securing less-lethal munitions and seized weapons and ammunition. ATF plans to complete final action on the recommendations in FY 2019.

⁴ This section reflects the status of final action for OIG audit reports open longer than one year for which management decisions have been made but final action has not been completed. For purposes of this report, the term *final action* means the completion of all actions that management concluded in its final decision are necessary with respect to the findings and recommendations in the audit report.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
NFPR ⁵	2 FISMA Audit Reports	Various	6	3	The OIG has closed 3 of the 6 recommendations based on ATF completing final action. ATF plans to complete final action on the remaining recommendations related to FISMA in FY 2019.
BOP – Bureau of Prisons					
16-17	Federal Bureau of Prisons' Armory Munitions and Equipment	3/30/2016	14	13	The OIG has closed 13 of the 14 recommendations based on BOP completing final action. In addition, BOP has completed various actions related to the remaining recommendation involving armory inventory management. BOP plans to complete final action on the recommendation in FY 2019.
17-08	Federal Bureau of Prisons' Contract with CoreCivic, Inc., Natchez, Mississippi	12/19/2016	9	8	The OIG has closed 8 of the 9 recommendations based on BOP completing final action. In addition, BOP has completed various actions on the remaining recommendation related to evaluating the extent to which employee qualification levels and turnover rates affect safety and security concerns, and whether contractual terms should be modified to address those concerns. BOP plans to complete final action on the recommendation in FY 2019.
COPS - Office of Community Oriented Policing Services					
Various	3 Grant Audit Reports	Various	19	4	The OIG has closed 4 of the 19 recommendations based on COPS completing final action. COPS continues to work with grantees to remedy reported deficiencies and questioned costs.

⁵ Due to law enforcement sensitivity reasons, the OIG issues its Federal Information Security Management Act (FISMA) audit reports as Not For Public Release (NFPR).

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
CRM – Criminal Division					
GR-70-17-003	Franklin County District Attorney's Office's Equitable Sharing Program Activities, Franklin County, New York	3/8/17	15	10	The OIG has closed 10 of the 15 recommendations based on CRM completing final action. CRM continues to work with the Franklin County District Attorney's Office to remedy reported deficiencies and questioned costs. CRM plans for final action on the remaining recommendations to be completed in FY 2019.
GR-70-17-006	Office of the Special Narcotics Prosecutor for the City of New York Equitable Sharing Program Activities, New York, New York	4/26/2017	3	2	The OIG has closed 2 of the 3 recommendations based on CRM completing final action. CRM continues to work with the Office of the Special Narcotics Prosecutor for the City of New York on the remaining recommendation to ensure they are managing their equitable sharing receipts and expenditures using an accounting system compliant with program requirements. CRM plans for final action on the recommendation to be completed in FY 2019.
DEA – Drug Enforcement Agency					
16-08	Drug Enforcement Administration's Controls Over Seized and Collected Drugs	2/17/2016	9	6	The OIG has closed 6 of the 9 recommendations based on DEA completing final action. In addition, DEA has completed various actions on the remaining recommendations related to documentation for drug seizures. DEA plans to complete final action on the recommendations in FY 2019.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
16-33	Drug Enforcement Administration's Management and Oversight of its Confidential Source Program	9/28/2016	7	3	The OIG has closed 3 of the 7 recommendations based on DEA completing final action. In addition, DEA has completed various actions on the remaining recommendations related to management and oversight of its Confidential Source Program. DEA plans to complete final action on the recommendations in FY 2019.
NFPR	FISMA Audit Report	2/8/2017	6	5	The OIG has closed 5 of the 6 recommendations based on DEA completing final action. DEA plans to complete final action on the remaining recommendation related to FISMA in FY 2019.
FBI – Federal Bureau of Investigation					
16-20	Federal Bureau of Investigation's Cyber Threat Prioritization	7/20/2016	2	0	FBI has completed various actions on the recommendations which involve the use of an algorithmic, data-driven tool to prioritize cyber threats and implementation of a record keeping system that tracks agent time utilization by threat set. FBI plans to complete final action on the recommendations in FY 2020.
17-35	Federal Bureau of Investigation's Insider Threat Program	9/22/2017	8	2	The OIG has closed 2 of the 8 recommendations based on FBI completing final action. FBI plans to complete final action on the remaining recommendations related to processes and tools for managing and monitoring the FBI's insider threat program in FY 2019.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
GR-90-17-006	Compliance with Standards Governing Combined DNA Index System Activities at the Los Angeles County Sheriff's Department Scientific Services Bureau Crime Laboratory, Los Angeles, California	9/29/2017	8	1	The OIG has closed 1 of the 8 recommendations based on FBI completing final action. In addition, FBI has completed various actions on the remaining recommendations related to the Laboratory strengthening physical security and ensuring case files contain sufficient information to determine CODIS eligibility. FBI plans to complete final action on the remaining recommendations in FY 2019.
NFPR	9 FISMA Audit Reports	Various	174	114	The OIG has closed 114 of the 174 recommendations based on FBI completing final action. FBI plans to complete final action on the remaining recommendations related to FISMA in FY 2019.
JMD – Justice Management Division					
13-40	Department of Justice's Implementation of and Compliance with Certain Classification Requirements	9/27/2013	14	13	The OIG has closed 13 of the 14 recommendations based on JMD completing final action. In addition, JMD has completed various actions on the remaining recommendation involving security classification guides. JMD plans to complete final action on the recommendation in FY 2019.
14-32	Department of Justice's Oversight of Costs Incurred through the Fees and Expenses of Witness Appropriation	9/23/2014	12	9	The OIG has closed 9 of the 12 recommendations based on JMD completing final action. In addition, JMD has completed various actions related to the remaining recommendations involving policies and procedures for costs incurred through the fees and expenses of witness appropriation. JMD plans to complete final action on the recommendations in FY 2019.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
16-26	Follow-Up of the Department of Justice's Implementation of and Compliance with Certain Classification Requirements	9/12/2016	3	1	The OIG has closed 1 of the 3 recommendations based on JMD completing final action, and JMD awaits OIG concurrence that JMD has completed final action on another recommendation. In addition, JMD has completed various actions on the remaining recommendation related to publishing the updated Mandatory Declassification Review process in the Federal Register to ensure compliance with Executive Order 13526. JMD plans to complete final action on the recommendation in FY 2019.
18-05	Assets Forfeiture Fund and Seized Asset Deposit Fund Annual Financial Statements Fiscal Year 2017	12/21/2017	3	2	The OIG has closed 2 of the 3 recommendations based on JMD completing final action. In addition, JMD has completed various actions on the remaining recommendation related to developing control actions to ensure Asset Forfeiture Program participating agencies are timely and accurately recording changes in the status of seized and forfeited assets. JMD plans to complete final action on the recommendation in FY 2019.
NFPR	FISMA Audit Report	3/27/2017	7	5	The OIG has closed 5 of the 7 recommendations based on JMD completing final action. JMD plans to complete final action on the remaining recommendations related to FISMA in FY 2019.
OJP – Office of Justice Programs					
16-15	National Institute of Justice's Management and Oversight of DNA Backlog Reduction Grantees' Reporting and Use of Program Income	3/28/2016	4	2	The OIG has closed 2 of the 4 recommendations based on OJP completing final action. In addition, OJP has completed various actions related to the remaining recommendations involving program income guidance and training. OJP plans to complete final action on the recommendations in FY 2019.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
17-10	Office of Justice Programs' Tribal Justice Systems Infrastructure Program	1/18/2017	12	11	The OIG has closed 11 of the 12 recommendations based on OJP completing final action. OJP continues to work to remedy reported deficiencies and questioned costs and plans to complete final action on the remaining recommendation in FY 2019, to include final action on disallowed costs valued at \$124,697.
17-31	Office of Juvenile Justice and Delinquency Prevention Title II Part B Formula Grant Program Related to Allegations of the OJJDP's Inappropriate Conduct	7/24/2017	4	3	The OIG closed 3 of the 4 recommendations upon issuance of the final report, based on OJP completing final action. OJP continues to work to remedy the final recommendation which is reliant upon OJP issuing an OJJDP guidance manual containing OJJDP's revised policies, procedures, and objective standards pertaining to updated Juvenile Justice and Delinquency Prevention Act regulations. OJP plans to complete final action on the recommendation in FY 2019.
17-36	Risks Associated with the Office of Justice Programs' Management of the Crime Victims Fund Grant Programs	9/25/2017	11	8	The OIG has closed 8 of the 11 recommendations based on OJP completing final action. OJP plans to complete final action on the remaining recommendations related to management of the Crime Victims Fund Grant Programs in FY 2019.
Various	26 Grant Audit Reports	Various	245	125	The OIG has closed 125 of the 245 recommendations based on OJP completing final action, including final action during the reporting period on disallowed costs valued at \$341,192. OJP continues to work with grantees to remedy reported deficiencies and questioned costs.
Various	17 Single Audit Act Reports	Various	60	26	The OIG has closed 26 of the 60 recommendations based on OJP completing final action. OJP continues to work with grantees to remedy reported deficiencies and questioned costs.

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Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
OVW - Office on Violence Against Women					
Various	23 Grant Audit Reports	Various	209	135	The OIG has closed 135 of the 209 recommendations based on OVW completing final action, including final action during the reporting period on disallowed costs valued at \$5,280. OVW continues to work with grantees to remedy reported deficiencies and questioned costs and complete final action on disallowed costs valued at \$11,158.
USMS - United States Marshals Service					
17-22	United States Marshals Service Contract with CoreCivic, Inc., to Operate the Leavenworth Detention Center, Leavenworth, Kansas	4/24/2017	24	7	The OIG has closed 7 of the 24 recommendations based on USMS completing final action. In addition, USMS has completed various actions on the remaining recommendations involving contract management. USMS plans to complete final action on the recommendations in FY 2019.
NFPR	2 FISMA Audit Reports	Various	5	0	USMS plans to complete final action on the recommendations related to FISMA in FY 2019.
USTP – United States Trustee Program					
NFPR	FISMA Audit Report	2/2/2018	1	0	USTP plans to complete final action on the recommendation related to FISMA in FY 2019.
Audit Reports Encompassing More Than One DOJ Component					
18-08	Drug Enforcement Administration's Regional Linguist Services Contract Awarded to Conduit Language Specialists, Inc.	1/10/2018	10	8	The OIG has closed 8 of the 10 recommendations based on the Department completing final action. In addition, the Department has completed various actions on the remaining recommendations involving costs paid for linguists and contract price adjustments. The Department plans to complete final action on the recommendations in FY 2019.

Status of Final Action for Audit Reports Open Longer than One Year for which Management Decisions Have Been Made but Final Action Has Not Been Completed (as of March 31, 2019)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Final Action Completed	
18-14	Department of Justice's Efforts to Address Patterns or Practices of Police Misconduct and Provide Technical Assistance on Accountability Reform to Police Departments	2/13/2018	15	11	The OIG has closed 11 of the 15 recommendations based on the Department completing final action. In addition, the Department has completed various actions on the remaining recommendations involving developing procedures in areas such as community outreach efforts and technical assistance. The Department plans to complete final action on the recommendations in FY 2019.
18-18	Department of Justice Grant Award Closeout Process	3/12/2018	61	29	The OIG has closed 29 of the 61 recommendations based on the Department completing final action, including final action during the reporting period on disallowed costs valued at \$32,906 and funds to better use valued at \$2,660,940. In addition, the Department has completed various actions on the remaining recommendations for the grant award closeout process. The Department plans to complete final action on the recommendations in FY 2019, to include final action on disallowed costs valued at \$9,396 and funds to better use valued at \$850,656.