

The Department of Justice Office of the Inspector General (OIG) today released a report examining the John R. Justice (JRJ) grant program, which provides student loan assistance to attorneys serving as state and local prosecutors or federal, state, and local public defenders. JRJ program grants are provided to U.S. states and territories, which are responsible for selecting eligible attorney applicants for JRJ awards. The OIG audit found that the Office of Justice Programs (OJP) Bureau of Justice Assistance (BJA) needs to improve its record-keeping, oversight, and communication with state administering agencies (States) and beneficiaries to ensure responsible tracking of the \$28 million that has been appropriated to fund the JRJ program since 2010.

The OIG's audit found that almost \$500,000 in funds that the BJA had granted to States had remained unspent on attorney awards when the grant periods closed. The audit also identified approximately \$650,000 in additional unspent funds that could be put to better use, including over \$370,000 that the BJA awarded to U.S. territories that had not demonstrated a need or ability to implement the JRJ program and did not appear to have spent any of their JRJ funding during their first 2 and a half years in the program on awards to attorney beneficiaries.

The OIG also found that the BJA kept inadequate records relating to the JRJ program. For example, the BJA could not produce records on the total number of attorney beneficiaries, nor did it have reliable figures on the amount of grant funds awarded to individual beneficiaries. JRJ beneficiaries were required to sign service agreements committing to 3 years of public service in exchange for JRJ grant funds, but at the start of our audit the BJA could not produce these documents for beneficiaries from about 75 percent of the States.

Additionally, we found that the BJA had not established an effective process for collecting repayments from beneficiaries who may owe repayment of their benefits because they left their public service positions prior to completing their service agreements. The OIG identified at least 288 such attorney beneficiaries who received over \$1.2 million in JRJ awards; yet, as of February 2014, OJP had only received approximately \$136,000 in repayments that were tied to individuals leaving the JRJ program early. We estimate a difference of at least \$1 million between total funds known to have been awarded to beneficiaries who left their initially-qualifying eligible positions early, and funds known to have been repaid by those exiting beneficiaries. While some of these beneficiaries may have left their qualifying positions under circumstances that merited consideration for a waiver of repayment, the BJA did not have a formal process to evaluate these cases and did not have records indicating that it had waived any repayment obligations.

Shortcomings in the BJA's oversight and record-keeping, among other factors, prevented the OIG from developing a quantitative analysis of whether the JRJ program has fully achieved its goals for recruitment and retention of public service attorneys. Specifically, the BJA did not collect standardized state assessments or other baseline information on staffing and retention rates for prosecutor and public defender positions, which limited our ability to assess the impact of the JRJ program. However, we identified several factors – including ambiguity about whether program awards are taxable and how the program interacts with Department of Education debt relief programs – that may have unnecessarily limited the financial benefits of the JRJ awards, deterred some beneficiaries from re-applying to the program, and affected the continued participation of attorneys.

The OIG made 12 recommendations addressing the administration of JRJ program funds, the tracking of JRJ participants and their owed repayments, and factors that may detract from the financial benefit of the program. OJP agreed with all 12 recommendations.

The report can be found on the OIG's website  
at: <http://www.justice.gov/oig/reports/2014/a1423.pdf>.