



---

BY THE U.S. GENERAL ACCOUNTING OFFICE

## Report To The Honorable Max Baucus United States Senate

---

# Competitive And Noncompetitive Grant Awards Made By The Office Of Juvenile Justice And Delinquency Prevention

The Federal Grant and Cooperative Agreement Act of 1977 encourages the use of competition in the award of grants. The Office of Juvenile Justice and Delinquency Prevention policy states that grants should be awarded competitively to the maximum extent practicable. These grants are awarded for the improvement of the juvenile justice system in the United States.

GAO found that the number of noncompetitive grants initially awarded decreased from 51 percent of total grants awarded in 1982 to 41 percent in the first six months of fiscal year 1984. However, during the same time period, the dollars for noncompetitive grants initially awarded increased from 39 percent to 70 percent of total grants awarded.

96716



Request for copies of GAO reports should be sent to:

U.S. General Accounting Office  
Document Handling and Information  
Services Facility  
P.O. Box 6015  
Gaithersburg, Md. 20760

Telephone (202) 275-6241

The first five copies of individual reports are free of charge. Additional copies of bound audit reports are \$3.25 each. Additional copies of unbound report (i.e., letter reports) and most other publications are \$1.00 each. There will be a 25% discount on all orders for 100 or more copies mailed to a single address. Sales orders must be prepaid on a cash, check, or money order basis. Check should be made out to the "Superintendent of Documents".



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

GENERAL GOVERNMENT  
DIVISION

B-202245

NCJRS

FEB 13 1985

The Honorable Max Baucus  
United States Senate

Dear Senator Baucus:

ACQUISITIONS

This report is in response to your April 27, 1984, request for us to review the Office of Juvenile Justice and Delinquency Prevention's (OJJDP) discretionary grant award program. These grants are awarded for the improvement of the juvenile justice system in the United States and involve such activities as prevention, diversion, training, treatment, rehabilitation, evaluation, and research. As agreed with your office, we focused our review on OJJDP's policies and practices concerning the award of competitive and noncompetitive discretionary grants. During fiscal years 1982, 1983, and 1984 (through June 30, 1984), OJJDP initially awarded 118 discretionary grants totaling \$30.5 million. For the purposes of our review, initial grant award amounts include those amounts obligated during the fiscal year that a grant was approved, which would include subsequent amendments to the award amount during the fiscal year. Additional funding in subsequent fiscal years is considered a supplemental award by OJJDP and, as agreed with your office, was not included in our detailed analysis.

We reviewed the Federal Grant and Cooperative Agreement Act of 1977 (Public Law 95-224) and OJJDP policies, obtained and analyzed information on the number and amount of competitive and noncompetitive grants, interviewed OJJDP and other Justice Department officials, and examined grant files. Because of time constraints, we did not evaluate the merits of the grants which we examined. We also interviewed agency officials and obtained information on grant policies and practices at the National Institutes of Health (NIH) and the National Science Foundation (NSF). As requested by your office, we did not obtain written agency comments. However, we discussed the results of our work with OJJDP officials and they agreed that the facts presented in this report are accurate. The results of our work are summarized below and discussed in detail in the appendix.

NONCOMPETITIVE AND COMPETITIVE GRANT AWARDS

The Federal Grant and Cooperative Agreement Act of 1977 encourages the use of competition in the award of grants. OJJDP policy states that grants should be awarded competitively to the maximum extent practicable.<sup>1</sup> We found that the number of noncompetitive grants decreased from 51 percent of total grant awards in fiscal year 1982 to 41 percent in the first three quarters of fiscal year 1984 (through June 30, 1984). However, during this same time period the dollars awarded for noncompetitive grants increased from 39 percent to 70 percent of total grant funds awarded. The following chart details the dollar awards of initial grants for the last three fiscal years.

	Fiscal year 1982 (millions)	Fiscal year 1983 (millions)	Fiscal year 1984 (through June 30, 1984) (millions)
Noncompetitive	\$ 4.3 (39%)	\$4.0 (63%)	\$ 9.0 (70%)
Competitive	<u>6.8 (61%)</u>	<u>2.4 (37%)</u>	<u>4.0 (30%)</u>
Total	<u>\$11.1 (100%)</u>	<u>\$6.4 (100%)</u>	<u>\$13.0 (100%)</u>

OJJDP policy states that the OJJDP Administrator should justify in writing that noncompetitive awards (1) are not within the scope of any program announcement, but can lawfully be supported by a grant; and (2) are of such outstanding merit that the award without competition is justified. Our review of grant files for 29 noncompetitive grants awarded during fiscal years

---

<sup>1</sup>Subsequent to our review, on October 12, 1984, the Juvenile Justice and Delinquency Prevention Act of 1974 was amended to require that grants be awarded through a competitive process established by the Administrator, OJJDP. The amendment allows exceptions to this requirement provided that the Administrator justifies the exception in writing. The justification is to be supported by a peer review determination. The amendment requires that the peer review process use experts other than officers and employees of the Department of Justice. The amendment also requires the Administrator to notify the cognizant congressional oversight committees when a grant is awarded without competition and to provide the committees with copies of the determinations by the Administrator and the peer review group.

1983 and 1984 (through April 18, 1984)<sup>2</sup> showed that OJJDP records contained the justifications its policy states should be prepared for noncompetitive grant awards. The justifications discussed the objectives, goals, and benefits of the projects and described the grantees' qualifications in detail. The "outstanding merit" of the grantee or project was stated to be the most determining factor for awarding noncompetitive grants.

For competitive awards, OJJDP policy states that the public should be furnished with sufficient and timely information about the grants and that competitive grant application review panels be used to review and evaluate grant applications, rank them, and make recommendations to OJJDP regarding the award of the grant. The policy does not specify whether the panels are to consist of in-house members, outside members, or a combination of both. Our review of grant files for 29 competitive grants awarded during fiscal years 1983 and 1984 (through June 30, 1984) showed that OJJDP procedures were followed and that competitive proposals were solicited through announcement notices published in the Federal Register and/or the Commerce Business Daily, the issuance of Requests for Proposals, and advertisements in local newspapers. Proposals received were analyzed by competitive grant application review panels. During fiscal year 1983, panels consisted of OJJDP and nongovernment members; however, during fiscal year 1984, panels consisted solely of OJJDP personnel and/or personnel from one other Justice Department office.

Although federal law encourages the use of competition in the award of grants, there are no governmentwide policies or procedures concerning how and when competition is to be used or how noncompetitive awards are to be justified. These matters have been left to the discretion of the various departments and agencies. We performed limited review work at two federal agencies which award a large number of grants--NIH and NSF--to ascertain how their grant programs work.

According to NIH officials responsible for administering its grant program, the Public Health Service Act (42 U.S.C. 2891-4) requires that grant applications be evaluated by a peer review process. These officials advised us that they have interpreted this provision of the act as requiring that NIH use competition to award initial grants. NSF is not required to do so by law (see the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861, et seq.)), but it also awards its initial grants competitively. NIH and NSF officials told us they consider the use of competition to be the most effective way to ensure that the government obtains the best product at

---

<sup>2</sup>We established April 18, 1984, as the cut-off date for our review of documentation for noncompetitive grants.

the most reasonable cost. Officials at both agencies told us they almost always use competitive grant application review panels to evaluate grant applications. NIH officials told us that 95 percent of their panels consist of outside reviewers; NSF officials told us that their panels consist entirely of outside reviewers.

- - - - -

We trust the information provided will be useful to your continuing oversight efforts. As agreed with your office, unless you publicly announce the contents of the report earlier, we plan no further distribution until 30 days from the date of this report. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

*W. J. Anderson*

William J. Anderson  
Director

COMPETITIVE AND NONCOMPETITIVE  
GRANT AWARDS MADE BY  
THE OFFICE OF JUVENILE JUSTICE AND  
DELINQUENCY PREVENTION

OBJECTIVES, SCOPE, AND METHODOLOGY

On April 27, 1984, Senator Max Baucus requested that we review the grant award procedures of the Office of Juvenile Justice and Delinquency Prevention (OJJDP). As agreed with his office, we focused our review on the following questions.

- How many grants have been awarded competitively and noncompetitively during fiscal years 1982, 1983, and 1984 (through June 30, 1984)?
- On a total dollar basis, how much money had been awarded to grantees competitively and noncompetitively during fiscal years 1982, 1983, and 1984 (through June 30, 1984)?
- Has OJJDP properly justified the award of its noncompetitive grants and were normal government grant procedures followed in the award of such grants?
- What award procedures were followed by OJJDP for competitive grants made during the period April 19, 1984, to June 30, 1984?
- How do the grant procedures used by OJJDP compare with other federal agencies that award a large number of grants?

To accomplish our objectives, we:

- Reviewed the Federal Grant and Cooperative Agreement Act of 1977 (Public Law 95-224) and OJJDP policies and procedures for awarding grants.
- Discussed grant award policies and procedures with OJJDP and other Justice Department officials.
- Obtained and analyzed information on the number and dollar amount of initial and supplemental grants awarded during fiscal years 1982, 1983, and 1984 (through June 30, 1984).
- Reviewed documentation in grant files for the 45 competitive and noncompetitive grants initially awarded in

fiscal year 1983 and through April 18, 1984, of fiscal year 1984 to determine whether OJJDP policies and procedures were followed.<sup>1</sup> We made a similar review for the 13 competitive grants awarded during April 19, 1984, to June 30, 1984. In addition, for these 13 grants, we determined how long the announcements for proposals remained open, how many proposals were received, and what type of system was used to evaluate the proposals. Because of time constraints, we did not evaluate the merits of the grants.

--Ascertained whether there were any Justice-wide or governmentwide grant policies and procedures.

--Obtained information from agency officials on grant award policies and procedures at two federal agencies--the National Institutes of Health (NIH) and the National Science Foundation (NSF)--to ascertain how other agencies which award a large number of grants administer their programs. We did not verify the accuracy of this information.

Our review was conducted in accordance with generally accepted government auditing standards. As requested by Senator Max Baucus' office, we did not obtain written agency comments. However, we discussed the results of our work with OJJDP officials and they agreed that the facts presented in this report are accurate. We performed our audit work from April 1984 to September 1984.

#### NONCOMPETITIVE AND COMPETITIVE GRANT AWARDS

During fiscal years 1982 to 1984 (through June 30, 1984), OJJDP initially awarded 118 grants which totaled \$30.5 million. These grants were in addition to other types of grants which totaled about \$143 million, made up of formula grants to states (\$116 million); supplemental funding of previously approved multi-year grants (\$24 million); interagency agreements (\$2

---

<sup>1</sup>OJJDP defines an initial grant award to include the amount obligated during the fiscal year that a grant was approved. This would include subsequent amendments made during the same fiscal year to the award amount. Funds are available until the obligated amounts are expended by the grantee. OJJDP defines additional funding in subsequent fiscal years as a supplemental award. Historical information on the dollar amount of initial and supplemental awards is presented on page 4.

million); and grants to United States insular territories (\$1 million). The issue of competition in the award of grants does not apply to these other types of grants. Consequently, as requested by Senator Max Baucus' office, we focused our review on initial awards of discretionary grants.

The Juvenile Justice and Delinquency Prevention Act of 1974, as amended (Public Law 93-415), authorizes OJJDP to award discretionary grants for improving the juvenile justice system in the United States. The grants are awarded for such activities as prevention, diversion, training, treatment, rehabilitation, evaluation, and research.

The Federal Grant and Cooperative Agreement Act of 1977 encourages the use of competition in the award of grants. The Office of Management and Budget's implementing guidelines (43 Fed. Reg. 36860, 36863 (1978)) restate the policy of the act, but they do not explain how and when competition is to be used in the award of grants. Therefore, there are no governmentwide policies or procedures concerning these matters. Each federal agency administers its own program using the act as guidance. OJJDP policy states that grants should be awarded competitively to the maximum extent practicable.<sup>2</sup> We found that the number of noncompetitive grants decreased from 51 percent of total grants initially awarded in fiscal year 1982 to 41 percent in the first three quarters of fiscal year 1984. However, during this same time period the dollars awarded for noncompetitive grants increased from 39 percent to 70 percent of total grant funds awarded.

#### OJJDP data on grant competition

OJJDP officials provided us, for historical purposes, information on the dollar amount of initial and supplemental noncompetitive and competitive grant awards made during fiscal years 1975 through 1981. Because of time constraints, we did

---

<sup>2</sup>Subsequent to our review, on October 12, 1984, the Juvenile Justice and Delinquency Prevention Act of 1974 was amended to require that grants be awarded through a competitive process established by the Administrator, OJJDP. The amendment allows exceptions to this requirement provided that the Administrator justifies the exception in writing. The justification is to be supported by a peer review determination. The amendment requires that the peer review process use experts other than officers and employees of the Department of Justice. The amendment also requires the Administrator to notify the cognizant congressional oversight committees when a grant is awarded without competition and to provide the committees with copies of the determinations by the Administrator and the peer review group.

not verify the information presented in the following chart for these years. However, we have included in the chart data which we verified for fiscal years 1982 to 1984 (through June 30, 1984).

Amount of  
Initial and Supplemental Noncompetitive  
and Competitive Grant Awards

<u>Fiscal year</u>	<u>Noncompetitive</u>	<u>Competitive</u>	<u>Total</u>
1975	\$ 5,273,155 (86%)	\$ 852,485 (14%)	\$ 6,125,640 (100%)
1976	9,582,594 (52%)	8,691,367 (48%)	18,273,961 (100%)
1977	1,553,501 (11%)	12,520,766 (89%)	14,074,267 (100%)
1978	11,251,755 (25%)	34,057,945 (75%)	45,309,700 (100%)
1979	14,556,990 (47%)	16,366,250 (53%)	30,923,240 (100%)
1980	12,313,675 (21%)	45,699,408 (79%)	58,013,083 (100%)
1981 <sup>a</sup>	19,464,920 (38%)	31,217,570 (62%)	50,682,490 (100%)
1982	8,105,818 (34%)	15,905,966 (66%)	24,011,784 (100%)
1983	6,984,979 (50%)	6,882,817 (50%)	13,867,796 (100%)
1984 <sup>b</sup>	10,461,296 (63%)	6,069,540 (37%)	16,530,836 (100%)

<sup>a</sup>The fiscal year 1981 data includes grants to United States insular territories. Accordingly, this data is not comparable to that of the other years.

<sup>b</sup>Through June 30, 1984.

In response to recent congressional requests, OJJDP reported on its fiscal year 1983 noncompetitive and competitive grant activity by summarizing the results of both initial grant awards and supplemental funding of previously approved multi-year grants. Supplemental awards given to the same grantee retain the same noncompetitive or competitive classification as the initial award.

During fiscal years 1982 to 1984 (through June 30, 1984), OJJDP awarded 239 discretionary grants which totaled \$54.4 million. These grants were made up of 118 initial awards for \$30.5 million and 121 supplemental awards for prior year grants for \$23.9 million.

As shown on the above chart, the percentage of the dollar amount of initial and supplemental noncompetitive awards has increased from fiscal year 1982 to 1984 (through June 30, 1984). Of a total of \$24 million in grants awarded in fiscal year 1982, \$8.1 million (34 percent) were noncompetitive. In fiscal year 1984, of a total of \$16.5 million in grants awarded, \$10.5 million (63 percent) were noncompetitive.

The percentage of the number of initial and supplemental noncompetitive awards has fluctuated from fiscal year 1982 to 1984. Of a total of 122, 73, and 22 grant awards in fiscal years 1982, 1983, and 1984 respectively, 38, 52, and 50 percent were awarded noncompetitively in each year.

GAO analysis of  
initial grant awards

Our analysis of initial grant awards showed that the dollar amount of initial noncompetitive awards has increased as a percentage of total awards from fiscal year 1982 to fiscal year 1984 (through June 30, 1984). The number of initial noncompetitive awards increased as a percentage of total awards from fiscal year 1982 to 1983, and decreased in fiscal year 1984 (through June 30, 1984). Although the number of noncompetitive awards decreased in fiscal year 1984, we noted that of the 16 competitive awards made, totaling \$4.0 million, 13 of them, totaling \$3.7 million, were awarded together as part of the same program--the Habitual Serious and Violent Juvenile Offender Program. These grants are discussed on page 11 of this report. The following chart describes the dollar amounts and number of initial noncompetitive and competitive grants awarded during fiscal years 1982, 1983, and 1984 (through June 30, 1984). As noted on page 2, initial grant award amounts include amendments to the award amount made during the same fiscal year.

Initial  
Noncompetitive and Competitive Grant Awards

<u>Dollar amount of awards (in millions)</u>	<u>Fiscal year 1982</u>	<u>Fiscal year 1983</u>	<u>Fiscal year 1984 (through June 30, 1984)</u>
Noncompetitive	\$ 4.3 (39%)	\$4.0 (63%)	\$ 9.0 (70%)
Competitive	<u>6.8 (61%)</u>	<u>2.4 (37%)</u>	<u>4.0 (30%)</u>
Total	<u>\$11.1 (100%)</u>	<u>\$6.4 (100%)</u>	<u>\$13.0 (100%)</u>
 <u>Number of awards</u>			
Noncompetitive	28 (51%)	23 (64%)	11 (41%)
Competitive	<u>27 (49%)</u>	<u>13 (36%)</u>	<u>16 (59%)</u>
Total	<u>55 (100%)</u>	<u>36 (100%)</u>	<u>27 (100%)</u>

During our discussion with OJJDP officials concerning the facts presented in this report, they advised us that six additional grants were in process and would be awarded competitively. The officials subsequently told us that as of October 2, 1984, two of the grants had been awarded for \$1.5 million and \$325,000 respectively. The other four grants, which total \$2 million, are expected to be awarded by the end of October 1984. We did not review these grants.

ANALYSIS OF DOCUMENTATION  
FOR GRANTS AWARDED

At the beginning of our review, OJJDP provided us with a list of 45 initial grants awarded in fiscal years 1983 and 1984, as of April 18, 1984. Therefore, we established April 18, 1984, as the cut-off date for our review of documentation, and we reviewed grant files for 29 initial noncompetitive and 16 initial competitive grants awarded during fiscal years 1983 and 1984 (through April 18, 1984). Subsequently, we conducted further analysis of only competitive grants (13) awarded from April 19, 1984, to June 30, 1984, at the request of Senator Max Baucus' office.

Our analysis (covering the period October 1, 1982, to April 18, 1984) showed that OJJDP records contained justifications required by OJJDP policy for the 29 noncompetitive grants awarded. Also, for all 16 competitive awards made, OJJDP grant

files contained evidence that competitive proposals were solicited and reviewed and evaluated by competitive grant application review panels in accordance with OJJDP policy. In addition, our analysis of the 13 competitive grants awarded during the period April 19, 1984, to June 30, 1984, also showed that these grants were in compliance with OJJDP policy and procedures.

Noncompetitive grants awarded  
during fiscal years 1983 and  
1984 (through April 18, 1984)

According to OJJDP policy, the award of noncompetitive grants should be exercised sparingly and only in exceptional circumstances. Exceptions to awarding grants competitively must be justified in writing by the Administrator, who must state that:

"The proposed project is in fact not within the scope of any program announcement or any announcement expected to be issued, but can lawfully be supported by a grant or other agreement; and,

"The proposed project is of such outstanding merit that the award of a grant without competition is justified."

We found documentation in each of the 29 grant files explaining why the grantee was selected and why a noncompetitive award was made. The documents discussed the objectives, goals, and benefits of the projects and described the grantees' qualifications in detail. The "outstanding merit" of the grantee or project was stated to be the major determining factor for awarding noncompetitive grants.

Some examples of reasons cited in three justifications for awarding noncompetitive grants are summarized below.

1. \$2.1 million grant to establish  
a National School Safety Center  
(grantee--Pepperdine University)

--The competitive process would mean a 4- to 8-month delay in the project start-up date.

--The grantee can immediately provide staff, materials, and data to proceed with the required work at the most reasonable cost to the government.

--The grantee's capabilities are unique in that work would begin immediately with very little start-up cost to the government. This might not be the case if another agency was selected.

2. \$100,000 grant to train juvenile justice personnel within state correctional facilities (grantee--The Youth Employment Company)

--The quality of the grantee's past work and present proposal justifies noncompetitive procurement.

--The competitive process would mean a 4- to 8-month delay in the anticipated results, plus an increase in direct and indirect costs.

--The grantee can immediately provide the necessary staff, materials, and data to proceed with the required work at the most reasonable cost to the government.

--The grantee's capabilities are unique in that work could begin immediately with very little start-up cost to the government, which might not be the case if another agency was selected.

3. \$100,000 grant to provide management training to agency and program administrators involved in the delivery of community-based residential services to serious juvenile offenders (grantee--International Halfway House Association, National Training Institute)

--The grantee has extensive experience in providing training and technical assistance to private and public community-based corrections personnel.

--The grantee has a unique understanding of both private and public training needs with regard to community-based corrections.

--The grantee is currently providing technical assistance through a contract with the National Institute of Corrections which could be made available to the training participants of this proposed project.

--The grantee had demonstrated considerable interest in working with this Office in the development of an application and is prepared to implement the training session in the near future.

Competitive grants awarded  
during fiscal years 1983 and  
1984 (through April 18, 1984)

OJJDP policy states that grants should be awarded competitively to the maximum extent practicable. The policy also states that the public should be furnished with sufficient and timely information about the grants. Competitive grant application review panels are to review and evaluate grant applications, rank them, and make recommendations to OJJDP regarding the grant award.

OJJDP's records showed that OJJDP or a contractor solicited proposals for the 16 grants awarded competitively during fiscal years 1983 and 1984 (through April 18, 1984). Also, competitive grant application review panels were used in each case to review and evaluate the applications, rank them, and make recommendations as to the grant award.

OJJDP policy permits the use of a variety of methods to solicit proposals for its competitive grants. Normally, the proposals are to be solicited through announcement notices published in the Federal Register. However, proposals may also be solicited through announcements in the Commerce Business Daily, the issuance of a Request for Proposal to eligible parties, and advertisements in local newspapers. The following table summarizes the methods used by OJJDP to solicit competitive proposals for the 16 grants awarded competitively.

<u>Announcement method used</u>	<u>Fiscal year 1983</u>	<u>Fiscal year 1984 (through April 18, 1984)</u>	<u>Total</u>
Published announcement in Federal Register	4	1	5
Published announcement in Commerce Business Daily	8 <sup>a</sup>	--	8
Issued a Request for Proposal	1 <sup>b</sup>	--	1
Published advertisements in local newspapers	--	2 <sup>c</sup>	2
Total	<u>13</u>	<u>3</u>	<u>16</u>

<sup>a</sup>Proposals were solicited through an announcement in the Commerce Business Daily. The announcement was placed by a contractor who was initially responsible for administering the program. OJJDP officials advised us, however, that the contract with this firm was subsequently terminated and OJJDP awarded grants competitively to eight organizations to meet program requirements.

<sup>b</sup>A Request for Proposal was issued to 22 organizations to solicit proposals for the project.

<sup>c</sup>Proposals were solicited through advertisements in two local newspapers in the jurisdictions involved. OJJDP officials told us that program announcements were also sent to every juvenile probation office in the state.

In each of the 16 grants, competitive grant application review panels were used to review and evaluate the applications, rank them, and make recommendations to OJJDP regarding the award. OJJDP policy states that competitive grant application review panels be convened for the purpose of conducting a competitive and objective review of grant applications. The policy does not specify whether the panels are to consist of in-house members, outside members, or a combination of both.

During fiscal year 1983, the panels for the 13 grant awards consisted of a combination of OJJDP personnel and nongovernment members. During fiscal year 1984 (through April 18, 1984), the panel for the three grant awards consisted solely of OJJDP personnel.

Competitive grants awarded from  
April 19, 1984, to June 30, 1984

Thirteen initial competitive grants totaling \$3.7 million were awarded from April 19, 1984, to June 30, 1984. All of the grants were awarded under the same program, the Habitual Serious and Violent Juvenile Offender Program, a program intended to expedite the preparation and presentation of cases in which offenders frequently have committed robbery, burglary in the first degree, forceable sexual offenses, aggravated assault, and recidivist homicide.

Proposals were solicited from state and local prosecutors' offices having authority over juvenile matters in jurisdictions where there was a high incidence of serious and violent crime. A single program announcement was published in the Federal Register on September 22, 1983, and remained open for 89 days, until December 19, 1983. The announcement invited applications from 49 jurisdictions that were considered eligible to apply for funding on the basis of the 1979 uniform crime index statistics of cities with the highest crime rates. An OJJDP official advised us that because this was dated information, OJJDP also considered applications from jurisdictions that were not listed in the Federal Register announcement. This official said other jurisdictions considered eligible were advised they could apply. He said he believed that all eligible jurisdictions were made aware they could apply.

Twenty-nine applications were received prior to the deadline, from jurisdictions listed in the announcement as well as jurisdictions not listed in the announcement. All 29 applications were considered by OJJDP.

A competitive grant application review panel consisting of three OJJDP staff members and three Office of Justice Assistance, Research, and Statistics staff members reviewed and ranked the 29 applications. (This office is within the Justice Department and provides staff support to OJJDP and to other Justice organizations.) An OJJDP official told us that an outside, or nongovernment, panel was not established because there was sufficient in-house expertise to evaluate the applications.

Three panel meetings were held to discuss and evaluate the applications. A point system was used to score the applications on the basis of OJJDP criteria which weighed eight ranking factors used to determine acceptable levels of anticipated performance. The factors and the points assigned were as follows:

	<u>Maximum points</u>
Anticipated impact on results sought.	25
The quality of the project implementation plan.	25
Incidence of serious and violent juvenile crime.	10
Documentation of serious and violent juvenile crime problems and the ability to collect and analyze information necessary to identify serious and violent juvenile recidivist offenders.	10
Prosecutors shall consult with victims for their views on the proposed terms of any negotiated plea and notify the court of the victim's views if the victim disagrees with the terms of the plea.	10
Prosecutors shall ensure that victims have the opportunity at the time of sentencing to inform the court in writing and in person of the circumstances of the crime and the full impact that the defendant's crime has had on them and their families.	10
Strong commitment to the program at the policy level of the prosecutorial agency as evidenced by letters of commitment.	5
A forecast of the jurisdiction's ability to assume the costs of the project following two 1-year grant awards.	5
	—
Total	<u>100</u>

Thirteen of the 29 applications were considered successful and received scores ranging from 67 to 92. They were submitted by 10 jurisdictions listed in the announcement, as well as 3 jurisdictions not listed. Fifteen unsuccessful applications received scores ranging from 17 to 65. Another application considered by the panel was subsequently determined to be ineligible for funding.

On the basis of our review of the documentation for the thirteen grants, we believe that OJJDP procedures for the award of competitive grants were followed.

TIME PERIODS FOR PROCESSING  
GRANTS AWARDED

As part of our review, we attempted to analyze and compare average time periods for processing competitive and noncompetitive grant awards for fiscal years 1983 and 1984 (through June 30, 1984) to determine whether there were significant differences in processing times. Because noncompetitive grant applications are unsolicited and are received throughout the year, OJJDP records for noncompetitive grants generally do not show the date that noncompetitive grant applications are initially received. Accordingly, we could not compare the total processing time for competitive and noncompetitive grants. However, we were able to compute the time required for processing some of the competitive grants and have developed partial processing information for noncompetitive grants.

Competitive grants

As discussed on page 9, OJJDP uses various methods to solicit competitive proposals. For competitive awards, grants are generally solicited as part of program announcements authorized by the Juvenile Justice and Delinquency Prevention Act of 1974. All proposals submitted to OJJDP under a particular program are reviewed together until the successful proposal or proposals are selected. The following table summarizes the average processing time for 26 competitive grants made during fiscal year 1983 and through June 30, 1984, of fiscal year 1984. The table does not include one grant made during fiscal year 1983 for which proposals were solicited through a Request for Proposal. This grant was not included in the table because it was not part of a particular grant program. Also, there were two additional grants made during fiscal year 1984 for which proposals were solicited through newspaper advertisements. (See p. 10.) These grants were not included in the table because OJJDP records did not contain the quantitative information necessary to make the computations.

	Fiscal year		Fiscal year	
	1983		1984	
	(days)		(days)	
	<u>a</u>	<u>b</u>	<u>c</u>	<u>d</u>
<u>Announcement period--Date of announcement until deadline for submission of proposals</u>	43	40	89	40
<u>Proposal evaluation review period--Deadline date for submission until selection of grantee</u>	116	201	78	246
<u>Financial and legal review period--Date of grantee selection until the date of award</u>	150	66	96	133

<sup>a</sup>Violent Juvenile Offender Program (8 grants).

<sup>b, d</sup>Discretionary grant program for states that choose not to participate in the formula grant program (fiscal year 1983 - 4 grants; fiscal year 1984 - 1 grant).

<sup>c</sup>Habitual Serious and Violent Juvenile Offender Program (13 grants).

Because OJJDP policy does not state how long the announcement period should be, we asked OJJDP officials how the length of the period is determined. These officials stated that the length of the announcement period is determined by (1) the difficulty of the design requirements of the program, (2) the timing of the award (whether early or late in the fiscal year), and (3) agency experience with how long it takes nonprofit organizations to obtain a Federal Register notice and respond.

#### Noncompetitive grants

For noncompetitive grants, there is no announcement period. As noted earlier, OJJDP records generally do not show the date noncompetitive applications are initially received. Therefore, we could not compute the proposal evaluation review period. However, we were able to compute the financial and legal review period. During fiscal years 1983 and 1984, this period averaged 110 and 96 days, respectively.

GRANT AWARD PRACTICES OF  
OTHER FEDERAL AGENCIES

The Federal Grant and Cooperative Agreement Act of 1977 encourages the use of competition in the award of grants; however, there are no governmentwide policies or procedures concerning how and when competition is to be used or how noncompetitive awards are to be justified. These matters have been left to the discretion of the various departments and agencies.

As requested by the requestor's office, we performed limited review work at two other federal agencies that award a large number of grants to obtain information on the extent of competition in the award practices of these federal agencies. We selected NIH and NSF because in fiscal year 1984 (through June 30, 1984) NIH awarded 17,940 initial and supplemental grants for \$2.4 billion, and NSF awarded 8,876 initial and supplemental grants for \$731 million.

According to NIH officials responsible for administering its grant program, the Public Health Service Act (42 U.S.C. 2891-4) requires that grant applications be evaluated by a peer review process. These officials advised us that they have interpreted this provision of the act as requiring that NIH use competition to award initial grants. NSF is not required to do so by law (see the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861, et seq.)), but it also awards its initial grants competitively.

NIH and NSF officials told us that almost all their proposals for basic research are subjected to a competitive grant application review process before final selection is made. This process is intended to provide advisory information on the scientific merit or quality of the research being proposed, the track record or past productivity of the researcher, and the reasonableness of the proposed budget. NIH and NSF officials told us they consider the review process to be the most important and most effective means to assure selection of the most qualified grantee.

The Public Health Service Act requires that review panels used by NIH consist of no more than 25 percent of officers or employees of the United States. An NIH official told us that 95 percent of its review panels are made up of outside reviewers. NSF officials told us that their agency policy considers panel review to require review by individuals outside the agency and, accordingly, the officials said NSF uses only panels composed of outside reviewers.

(185998)



**AN EQUAL OPPORTUNITY EMPLOYER**

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

---

OFFICIAL BUSINESS  
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID  
U. S. GENERAL ACCOUNTING OFFICE



**THIRD CLASS**