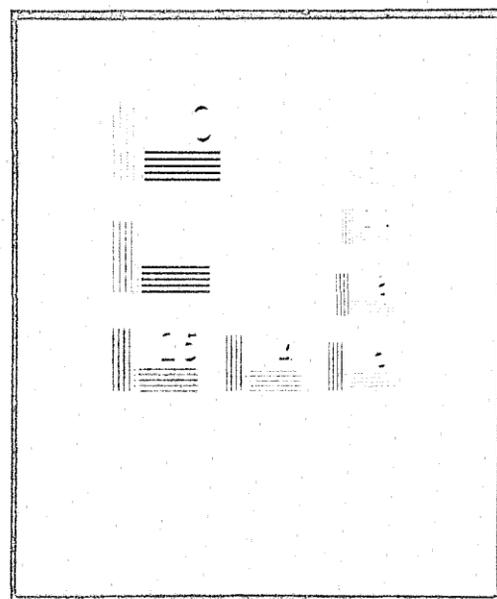


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LAW ENFORCEMENT ASSISTANCE ADMINISTRATION
NATIONAL CRIMINAL JUSTICE REFERENCE SERVICE
WASHINGTON, D.C. 20531



REPORT TO THE CONGRESS

Long-Term Impact Of Law Enforcement Assistance Grants Can Be Improved

Law Enforcement Assistance Administration
Department of Justice

BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

OGG-75-1

31385



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-171019

To the Speaker of the House of Representatives
and the President pro tempore of the Senate

This is our report on the need to improve the long-term
impact of the Law Enforcement Assistance Administration grant
program.

We made our review pursuant to the Budget and Accounting
Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act
of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director,
Office of Management and Budget; the Attorney General; and
the Administrator, Law Enforcement Assistance Administration.

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General
of the United States

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ABBREVIATIONS

- GAO General Accounting Office
LEAA Law Enforcement Assistance Administration

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

LONG-TERM IMPACT OF LAW
ENFORCEMENT ASSISTANCE GRANTS CAN
BE IMPROVED
Law Enforcement Assistance
Administration
Department of Justice

D I G E S T

WHY THE REVIEW WAS MADE

Since fiscal year 1969 the Federal Government, through the Law Enforcement Assistance Administration (LEAA), has awarded about \$2.6 billion to help States improve their criminal justice systems and to prevent or reduce crime.

The Congress intended that LEAA funds be used as a catalyst to bring about lasting improvements in the States' criminal justice systems. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, requires that the States demonstrate their willingness, and that of local governments, to assume the cost of projects funded after a reasonable period of Federal assistance.

To provide the Congress information on the extent to which LEAA and the States have met that legislative intent, GAO obtained information on:

- How many long-term projects continued after LEAA funding stopped.
- How many projects merited continuation but did not continue.

--How LEAA and different State policies and practices affected the continuation of worthwhile projects.

FINDINGS AND CONCLUSIONS

LEAA funds provided to States represent only a small portion of total national criminal justice expenditures. Nevertheless, they have the potential for impact since they are the primary funds to be used for innovations and improvements.

For LEAA funds to influence changes, it is essential that LEAA and the States adopt policies to insure that successful projects continue once LEAA funding stops.

As a result of inadequate LEAA guidelines, States' policies regarding continuation of projects varied significantly. States' success rates on continuing worthwhile projects also varied.

As of June 30, 1973, only 6 percent of projects no longer receiving LEAA funds were for long-term purposes--such as counseling delinquents, hiring additional policemen, or

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rehabilitating offenders--which involved continuing operations and required continual funding for the project to continue. (See p. 11 and app. III.)

As more projects reach the end of their LEAA funding periods, the problem of finding alternative fund sources becomes even more important. One State, for example, reported it had only three long-term projects terminated from LEAA funding as of March 31, 1973. The State expects 80 to 120 major projects to cease receiving LEAA funds in calendar year 1974. (See pp. 30 to 33.)

By providing the States more guidance on how to continue worthwhile efforts, LEAA could substantially improve prospects of its grant program having a positive long-term impact on the States' criminal justice systems.

Problems LEAA and States had in adequately developing continuation policies are discussed below, as is GAO's analysis of the extent to which worthwhile long-term projects continued.

The analysis is based on a detailed review of the continuation policies and practices in Alabama, California, Michigan, Ohio, Oregon, and Washington and on responses by 39 States and the District of Columbia to a GAO questionnaire.

Inadequate emphasis on continuation needs

Neither LEAA nor the six States emphasized sufficiently the problem of how to continue worthwhile long-term projects. The varying degrees of State success in continuing worthwhile projects after LEAA funding stopped were

partly attributable to a lack of adequate LEAA guidelines and the resulting differences in State policies.

LEAA guidelines did not adequately address the project continuation issue by specifying factors or providing policies that would help States continue projects. States had independently developed their own continuation policies.

Many factors influence continuation of projects after LEAA funding stops. Some, such as economic conditions and dedication of project personnel, are beyond the control of LEAA and appropriate State criminal justice agencies. Others may be controlled through guidelines and requirements.

Three factors which influence project continuation are project financing, project evaluations, and technical assistance. The emphasis given these factors varied among the States.

For example, project funding periods among the States visited ranged from 1 to 5 years. Also one State required extensive planning for assuming project costs by non-LEAA sources; another State required none. (See ch. 2.)

Limited success in continuing projects

Apparently worthwhile long-term projects were discontinued or had their operations significantly reduced after LEAA funding ended. In the six States LEAA funding had stopped for 440 long-term projects.

--281, or 64 percent, awarded about \$15.5 million in LEAA funds, continued to operate at

expanded or at about the same levels.

--159, or 36 percent, awarded about \$12 million in LEAA funds, either had their operations stopped or the scope of their operations reduced significantly.

According to State and project officials, at least 95 of the 159 projects (60 percent) merited continuation. (See pp. 11 to 13.)

Of the 281 projects operating at the same or expanded levels of funding after LEAA funding ceased, 253 continued with State or local funds and 28 were continued with non-LEAA Federal funds.

National perspective

Neither LEAA nor the States had adequate information on the extent to which projects continued or merited continuation. Such information is necessary to help assess the impact of the LEAA program. Therefore, to determine the potential long-term impact of LEAA funding, GAO queried all States by a two-part questionnaire.

The first part requested information on State policies that could influence projects continuing after LEAA funding ended; this part was completed by all 50 States and the District of Columbia.

The second part requested financial data and other information, such as status of long-term projects no longer

receiving LEAA funding (terminated projects). Thirty-nine States and the District completed the second part.

State responses indicated the variations in continuation policies and showed that many States had not adequately addressed the continuation issue. For example:

--Seven States had no policies or time limits on length of time projects should be funded by LEAA. The other 43 States funded projects from 1 to 8 years.

--Twenty-five States required applications for LEAA funds to present various types of plans showing how, when, and by whom project costs would be assumed once LEAA funding stopped.

One State required only that potential fund sources be identified, and 24 States did not require a plan showing how, when, and by whom project costs would be assumed.

--Twenty-one States eased the transition from Federal to full State or local funding by increasing the percentages of State or local support provided through the life of the LEAA grant.

The rate of increase varied, however, from State to State. Five States said they use increased matching rates but have not set specific percentages. The other 24 States did not use increasing matching rates.

--Technical assistance provided to projects varied significantly. Six States provided no continuation assistance, 16 provided assistance on request, 27 provided assistance informally, and 1 said it had not experienced the continuation problem. (See ch. 4.)

LEAA's program has been operating since fiscal year 1969. It is not too early to consider institutionalizing improvements begun with LEAA funds in light of congressional intent that LEAA funds act as a catalyst to allow States to make lasting improvements. Both LEAA and the States must better insure that worthwhile long-term projects continue once LEAA funding stops.

RECOMMENDATIONS

To develop information needed to assess the long-term impact of the LEAA program, determine potential weaknesses, and better insure that worthwhile projects are continued, the Attorney General should direct LEAA to:

- Require that LEAA and State information systems provide for developing information on the extent to which projects continue.
- Establish requirements for reporting in State law enforcement plans and in the LEAA Annual Report on the continuation of long-term projects after LEAA funding ceases.
- Require that LEAA develop a coordinated continuation

policy to be implemented by each State:

1. Defining how long LEAA funds should be used to support each type of project.
2. Developing funding methods which ease the transition to full State or local funding, such as progressive matching rates.
3. Defining standard grant application provisions which detail how, when, by whom, and under what conditions project costs will be assumed.
4. Defining the types of technical assistance to be offered in planning for future continuation of projects.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Department of Justice said it agreed with GAO's recommendations that LEAA and the States develop better information on the extent to which projects continue and said LEAA will explore ways to obtain and report it. (See app. I.)

The Department did not agree to completely implement GAO's recommendation that LEAA modify its current project continuation guidelines to make them more specific. It said the issues of defining how long LEAA funds should be used, of developing methods of transition to full local funding, and of defining standard grant application provisions and the nature of

technical assistance to be provided, are far reaching and will be given further study by LEAA.

GAO agrees such changes could be far reaching and does not object to further study. But the danger is that the issue will be studied indefinitely and no conclusion will be reached. Improvement is needed in light of GAO's finding that State and local officials believed 60 percent of the long-term projects that were stopped or had their operations significantly reduced when LEAA funding stopped either merited continuation if stopped or should have been funded at a higher level if continued.

It would be desirable if LEAA completed its study before submitting its fiscal year 1976 budget request to the Congress and reported to the Congress on what actions it believes should be taken.

The States GAO visited generally

agreed with GAO's findings and conclusion that there was a need to more fully consider ways to insure that worthwhile projects continue once LEAA funding stops.

MATTERS FOR CONSIDERATION BY THE CONGRESS

In the next several years many more projects will stop receiving LEAA funds and will have to be funded by other sources to continue. As more information becomes available on which worthwhile projects continue, the Congress may wish to discuss with LEAA the extent to which its efforts are acting as a catalyst to get State and local governments to permanently implement criminal justice improvements tried and tested with LEAA funds.

Because of the significance of this issue, the Congress may also want to follow up with LEAA on the results of its study of ways to improve the continuation policies of the States.

CHAPTER 1

INTRODUCTION

The Law Enforcement Assistance Administration (LEAA) of the Department of Justice has awarded about \$2.6 billion since fiscal year 1969 to help State and local governments improve and strengthen their criminal justice systems and to prevent or reduce crime. States have funded over 40,000 grants. Have worthwhile State and local projects continued to operate after LEAA funding stopped? This report provides some answers.

TYPES OF LEAA-FUNDED PROJECTS

The Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3701), established LEAA to:

- Encourage State and local governments to develop comprehensive law enforcement plans.
- Authorize grants to States and local governments to improve and strengthen law enforcement.
- Encourage research and development of new methods for improving law enforcement, for preventing and reducing crime, and for detecting and apprehending criminals.

To qualify for grants, States must evaluate State and local problems and prepare comprehensive law enforcement plans describing the projects proposed for funding. States are to receive advice from regional planning units as the States develop and complete their comprehensive plans. These plans, after being approved by LEAA regional administrators, form the basis for the States to receive Federal block grants, which are allocated primarily on the basis of their populations. The Crime Control Act of 1973, which amended the 1968 act, extended LEAA's existence through June 1976 and reemphasized the legislative intent of improving the criminal justice system.

State plans set forth broad program areas for which projects may be funded, such as juvenile delinquency,

upgrading law enforcement personnel, and corrections. Both short-term and long-term projects can be funded for each program area.

Short-term projects--such as construction, equipment purchases, and training--normally would either stop after the grant period or would require only maintenance and upkeep funds once LEAA funding stopped. Long-term projects--such as counseling delinquents, hiring additional policemen, or rehabilitating offenders--involve continuing operations and would require continual funding, other than just for maintenance, after the LEAA grant stops.

LEAA's legislation intends that projects be continued by the State and local governments after LEAA funding stops. LEAA's funds are to be used as a catalyst to bring about lasting improvements in the criminal justice system. Section 303 of the act specifies that State law enforcement plans must:

"* * * demonstrate the willingness of the State and units of general local government to assume the costs of improvements funded * * * after a reasonable period of Federal assistance."

Not all projects should continue once LEAA funding stops. For example, an unsuccessful project or one that demonstrates that a particular endeavor will not work should be stopped. But for LEAA funds to have any lasting impact on State and local criminal justice systems, worthwhile long-term projects should continue once the grant period expires.

PURPOSE AND SCOPE OF REVIEW

--How many long-term projects continued operating after LEAA funding stopped?

--How many merited continuation but did not continue?

--How did LEAA and different State policies and practices affect the continuation of worthwhile long-term projects?

Neither LEAA nor the States had adequate answers. Therefore, to determine the potential long-term impact of LEAA funding, we:

--Reviewed in detail the continuation policies and practices of LEAA and Alabama, California, Michigan, Ohio, Oregon, and Washington.

--Queried the other States, the District of Columbia, and four territorial jurisdictions¹ by a two-part questionnaire.

The first part of the questionnaire requested information on State policies that might influence whether projects continue after LEAA funding ends; this part was completed by all 50 States, the District of Columbia, and Puerto Rico. The second part requested financial and management data, such as the status of long-term projects no longer receiving LEAA funding. All States but Colorado, Florida, Maine, Massachusetts, Minnesota, New Hampshire, New Mexico, Oklahoma, Pennsylvania, Rhode Island, and South Dakota provided us this information. Those States not responding told us they did not provide the information because:

--LEAA has not required the States to continue monitoring projects after LEAA funds stop.

--No data base exists that includes continuation information.

--Staff was not available to complete the questionnaire or do the research necessary to develop the information.

Our fieldwork was done between July 1973 and March 1974. Most State responses to the questionnaire were received in late 1973.

¹Three of the four jurisdictions did not reply to our questionnaire. We have therefore excluded them from this report.

CHAPTER 2

NEED TO IMPROVE LEAA GUIDELINES

LEAA funds provided to States represent only a small portion of total national criminal justice expenditures. Nevertheless, they have the potential for significant impact since they are the primary funds to be used for innovations and improvements in the criminal justice system. For LEAA funds to influence changes, it is essential that LEAA and the States adopt policies to insure that successful projects continue once LEAA funding stops. As a result of inadequate LEAA guidelines States' policies varied. The extent to which States continued worthwhile projects also varied.

FACTORS AFFECTING PROJECT CONTINUATION

Many factors influence the continuation of projects after LEAA funding stops. Some, such as economic conditions and dedication of project personnel, are beyond the control of LEAA and the appropriate State criminal justice agencies. Others may be controlled through guidelines and requirements and can affect the chances of worthwhile projects continuing. Three such factors are:

- Project financing.
- Project evaluations.
- Technical assistance.

All of the factors are interrelated and should receive consideration by LEAA, States, and subgrantees. For example, the financing of long-term projects after LEAA funding stops encompasses (1) having a plan for assuming cost, (2) knowing how long LEAA funds will be provided, and (3) having a transition from primarily Federal to full State or local funding. Projects that are not worthwhile should not continue. This can be determined by an adequate evaluation. Timely technical assistance can help projects develop financing plans and evaluation strategies.

Project financing

Project financing, as noted above, encompasses cost assumption planning, which is detailed in subgrantee application forms, and funding policies, such as funding periods and matching rates required by the act, LEAA, or States. The importance of the application form and funding policies is discussed below.

Planning for assuming costs

The grant application, which must be approved before grant awards, describes planned project activities--such as purpose, goals, staffing, etc. Since it is known from the beginning that LEAA will not fund a long-term project indefinitely, the application should include a specific plan for financing the project, if proven worthwhile, after LEAA funding ends.

Applications should note not only potential funding sources but should also detail how, when, and by whom project costs are expected to be assumed. Plans for assuming costs worked out jointly with the funding source and a representative of the potential State or local funding source as a signatory on the application would reasonably insure that the project, if worthwhile, will be continued. Projects that have not developed future funding sources at the start of the LEAA grant period often have not developed adequate sources by the end of LEAA funding. This often results in stopping or reducing operations when LEAA funding ceases. As a result the project has limited impact on the criminal justice system, as discussed in chapter 3.

Project funding periods

Projects generally receive annual funding grants. However, they are usually eligible to receive more than one. Many long-term projects have received two or more grants. Knowledge of the total number of annual grants a project can expect to receive can influence the ability to secure other funding sources.

The length of the LEAA funding can affect the continuation of projects attempting to demonstrate the effectiveness of new approaches to fight crime. For example, a project that has a new approach to rehabilitate offenders may require at least 3 years to prove its merit. In such cases, if the LEAA funding period is not known and LEAA funds are not received for the full 3 years, it is questionable whether local governments will absorb project costs after only 1 or 2 years of LEAA funding. The continuation of other types of projects, such as the hiring of additional policemen, would not be as dependent on minimum funding periods because the merit of such projects is generally known before they start.

Continuation of projects relies upon units of government or other funding sources to budget for the eventual assumption of project costs. Therefore, sufficient leadtime denoting termination of LEAA funding is essential. Uncertainty as to how many grants a project will receive or

early termination of LEAA funding will often result in stopping projects or significantly reducing operations.

Matching rates

The 1968 act required that, for a grantee to be eligible for LEAA block grant funds, the Federal grant must be matched by State or local governments by either cash or in-kind service. Prescribed minimum matching rates for long-term projects have varied by project type and have changed since 1968. Initially the Federal Government supplied either 60 or 75 percent of the total project costs. The 1973 act increased the Federal share to 90 percent but specified that the 10-percent State and local share be in cash and that the State provide not less than one-half of the 10 percent (or 5 percent) of total project costs and the projects provide the other one-half.

LEAA has recommended that, apart from the overall Federal-State matching requirements, States require individual projects to contribute a greater percentage of the projects' total costs to increase the total funds available to the criminal justice system.

Increasing the State and local share of funding over the life of a project can influence continuation of the project after LEAA funding stops. For example, one State required that the State and local contribution increase over a 4-year period from 25 to 50 percent of total project costs. Such a policy increases the chances of projects continuing once LEAA funding stops because it:

- Eases the transition from primarily Federal to full State or local funding. This can be significant for projects involving large amounts of funds.
- Encourages increasing involvement of State and local funding sources in project activities.
- Insures planning for assuming costs.

Project evaluations

Obviously projects that are not needed or are ineffective should not continue. Therefore governments and other funding sources need to know the effectiveness of projects before making funding decisions regarding project continuation.

Project evaluations can provide the basis for objectively deciding whether to continue projects. As a result, evaluations or the lack of them can influence the continuation of projects.

Evaluations need to be timely and adequately show the need for and effectiveness of projects. An evaluation completed after funding decisions have to be made loses much of the benefit as a decisionmaking tool. Similarly, an evaluation that lacks the data necessary to make objective decisions is also not adequate.

In March 1974 we reported to the Congress¹ on LEAA and specific State evaluation problems and recommended that LEAA establish, for similar projects, the following.

- Guidelines relating to goals, the type of staff that could be employed, the range of services that could be provided, and expected ranges of costs to be incurred.
- Uniform information to be gathered.
- Standard reporting systems.
- A standard range of expected accomplishments that can be used to determine if the projects are effective.
- Standardized evaluation methods that should be used so comparable results can be developed on the projects' impact.

LEAA has generally agreed to implement these recommendations.

Technical assistance

The act requires that, to be eligible for LEAA block funds, the States must be willing to provide technical assistance to project personnel. Project applicants often need assistance to meet the administrative and fiscal requirements to apply for and operate a project provided an LEAA grant. Such assistance includes how to fill out grant

¹"Difficulties of Assessing Results of Law Enforcement Assistance Administration Projects to Reduce Crime" (B-171019, Mar. 19, 1974).

applications and the reports needed to receive funds, report expenditures, and show project progress. However, to insure that projects can continue after LEAA funding stops, assistance must go beyond this level.

Our review indicates that projects continue if they are (1) effective, (2) can demonstrate their need to be continued, and (3) have developed adequate follow-on funding sources. As a result, assistance should be available to

- help adequately plan and carry out project activities,
- help design and implement an evaluation that will reflect project merit, and
- help develop adequate assumption of cost plans.

INADEQUATE LEAA GUIDELINES

In November 1968 LEAA provided States guidelines for State planning agency grants which stated:

"* * * the plans should * * * indicate how new elements and systems may ultimately be absorbed into the regular budgeting of State and local law enforcement systems."

In 1972 LEAA provided States revised guidelines for comprehensive State plans and grant applications stating that applications must:

"* * * indicate how new elements and systems initially funded with Federal funds may ultimately be absorbed into the regular budgeting of State and local enforcement systems and indicate the extent to which this has already taken place."

This requirement was expanded in December 1973 when the fiscal year 1974 plan guidelines were issued. The new guidelines have three requirements for State reporting: (1) indicating how long the State will generally continue funding a project, (2) providing the percentage of continuation funding for each fiscal year grant award, and (3) indicating how new elements and systems initially funded with Federal funds may ultimately be absorbed into regular budgeting of State and local enforcement systems.

These requirements are a step in the right direction but do not go far enough. They generally only request information on States' policies, such as funding periods and the percentage of funds spent on previously funded projects.

The guidelines have not established or recommended such elements as: (1) the ranges of time to fund various types of projects, (2) increased matching fund percentages to ease transitions to local funding, (3) grant application forms which require assumption of cost planning, and (4) specific technical assistance to subgrantees. These factors, as previously discussed, are important to insure project continuation.

LEAA guidelines require States to indicate the extent to which new elements and systems are absorbed into State and local systems. The guidelines, however, do not suggest what information the States should provide to accomplish this. Needed information could include the number of long-term projects on which LEAA funding had stopped, their merits (successful or unsuccessful), and the number of successful projects continued with other funding.

LEAA also issued guidelines on evaluation. The guidelines for 1973 comprehensive State plans stated that:

"Program and project evaluation is necessary as a basis for updating and revising future plans, and to gauge success of implementation. Too little is known about the degree to which current projects and programs have been effective.
* * *"

The guidelines define evaluation as answering whether

- the grantee accomplished what it said it would,
- the project contributed to the State's goals and objectives, and
- side effects, good or bad, resulted from the project.

The guidelines require that States consider and select one of the following alternatives for evaluating projects it funded.

- Evaluate 15 percent of the total number of subgrants awarded in fiscal year 1973.
- Evaluate 15 percent of the total dollar value of subgrants awarded in fiscal year 1973.
- Evaluate all subgrants awarded in one program area.

The evaluation guidelines require evaluations but do not state when projects should be evaluated so that projects

to be terminated from LEAA funding will have objective data for other funding sources to make continuation decisions.

Each of the above-mentioned factors can significantly affect project continuation. However, these factors are interrelated. To help insure that worthwhile projects continue, these factors should be developed as part of a system. Such a system would require appropriate direction and guidelines. As shown in the following chapters, LEAA's efforts have not been sufficient to insure that the States adequately address the need to determine ways to continually fund worthwhile long-term projects once LEAA funding stops.

CHAPTER 3

LIMITED SUCCESS IN CONTINUING PROJECTS

Variations in the degree to which the States continued worthwhile projects once LEAA funding stopped showed that the impact of Federal funds on making lasting improvements to the criminal justice system had not been as great as possible. Some apparently worthwhile long-term projects either did not continue or significantly reduced operations when LEAA funding stopped.

Neither LEAA nor most States have emphasized or considered sufficiently the project continuation problem. The lack of adequate LEAA guidelines regarding the need to continue worthwhile projects and variations in policy among the States affected the extent to which worthwhile projects continued.

The 39 States and the District of Columbia, which were either visited by us or had completed a questionnaire, reported that 25,701 projects were no longer receiving LEAA funds prior to July 1, 1973. They considered 6 percent of the projects (1,518) to be long term. What happened to long-term projects in six States visited follows. Chapter 4 summarizes State responses to the questionnaire.

PROJECT CONTINUATION IN STATES VISITED

In the 6 States, 3,473 projects were terminated from LEAA funding before July 1, 1973. However, only 440 projects, or 13 percent, were long term. Funding activity and operating status of long-term projects for each State are shown in the following tables.

State	Total block funds	Total projects funded	Total projects on which LEAA funding ended as of June 1973	
			Number	Per-cent
Alabama	\$ 16,520,942	1,693	1,310	77
California	152,304,610	975	450	46
Michigan	59,359,187	600	265	44
Ohio	43,885,760	1,415	1,068	75
Oregon	9,917,620	208	112	54
Washington	18,703,071	474	268	57
Total	\$300,691,190	5,365	3,473	65

Of the 3,473 projects on which LEAA funding ended, the following were considered long term on the basis of information provided by the States and project personnel.

State	Long-term projects on which LEAA funding ended	Funds awarded	Percent of all projects on which LEAA funding ended	Percent of total funds awarded
Alabama	163	\$ 2,593,556	12	16
California	101	13,385,920	21	9
Michigan	64	4,481,277	24	8
Ohio	40	2,066,293	4	5
Oregon	28	1,644,352	25	17
Washington	44	3,218,356	16	17
Total	440	\$27,389,754	13	9

The following table provides information on the status of these long-term projects. We classified projects' operational status as (1) expanded or about the same level, (2) significantly reduced, and (3) stopped. Our criterion for classifying projects as significantly reduced was that a reduction of 50 percent or more occurred at the time of our review in the project's funding, number of staff, or services.

State	Expanded or about the same level		Significantly reduced		Stopped		Reduced and stopped projects as a percent of total	
	Number	Amount	Number	Amount	Number	Amount	Projects	Amount
Alabama	138	\$ 2,096,574	6	\$ 216,526	19	\$ 280,456	15	19
California	45	6,899,258	23	2,813,437	33	3,673,225	55	48
Michigan	41	3,403,570	4	235,456	19	842,251	36	24
Ohio	18	998,616	9	386,645	13	681,032	55	52
Oregon	20	1,229,593	3	11,545	5	403,214	29	25
Washington	19	908,198	12	1,599,626	13	710,532	57	72
Total	281	\$15,535,809	57	\$5,263,235	102	\$6,590,710		
Percent	64		13		23			

We attempted to determine how many of the 159 projects that either stopped or significantly reduced operations merited continuation. Evaluation reports and other data on the merit of projects were generally not available because reports either were not made, were being made, or were inconclusive on whether a project merited continuation. Therefore, we asked State and project officials if the 159 projects merited continuation.

According to these officials, at least 95 of the 159 projects (60 percent) either merited continuation if terminated or merited a higher level of funding if continued at a reduced rate. Some other projects might have merited continuation if the States had provided appropriate assistance to the projects during the time they had received LEAA funds to help them develop adequate evaluations and to secure possible further funding commitments from other State or local sources.

A summary of the reasons State and project officials gave for the 159 projects being stopped or significantly reduced follows.

	Total projects	Projects that should have continued Number	Percent
Ineffective	13	-	-
Not needed	11	-	-
Inadequate evaluation	13	5	38
Lack of State or local funds (note a)	72	58	81
Poor administration	19	7	37
Other (note b)	31	25	81
Total	159	95	60

^aPrimarily due to inadequate cost assumption planning regarding such things as securing a firm commitment from potential funding sponsors and developing adequate increasing local matching rates.

^bIncludes such things as lack of qualified persons to hire and changes in regional priorities.

Appendix II includes details on the six States.

For those long-term projects that were not stopped or significantly reduced (281 of 440), about 90 percent received additional funding from State or local sources, as shown below.

State	Total proj- ects	Projects continuing with Federal funds		Projects continuing with State and local funds	
		Number	Percent	Number	Percent
Alabama	138	1	1	137	99
California	45	6	13	39	87
Michigan	41	4	10	37	90
Ohio	18	2	11	16	89
Oregon	20	10	50	10	50
Washington	19	5	26	14	74
Total	<u>281</u>	<u>28</u>	10	<u>253</u>	90

In the few cases when Federal funds were used, they were either general revenue sharing or Department of Health, Education, and Welfare funds.

Because the Crime Control Act of 1973 and LEAA guidelines do not address the use of Federal funds to continue worthwhile projects once LEAA funding stops, State practices on the use of Federal funds vary. Oregon, for example, used several sources of Federal funding to keep projects continuing. Officials in Iowa and North Carolina said they do not encourage applicants to use Federal funds to continue projects because LEAA provides seed money and the act intends that States and local governments continue projects. According to an official in North Dakota, generally the only funds available to continue projects once LEAA funding stops are funds from other Federal programs.

The limited use of other Federal funds to continue projects may increase because many more projects will be terminated from LEAA funding. (See ch. 5.)

VARIATIONS IN STATES' POLICIES

Specific policy and procedural differences and success rates in the six States demonstrate the importance of adequately addressing each continuation factor discussed on pages 4 to 8.

Alabama

Of 163 long-term projects for which LEAA funding had ended, 25 had stopped or significantly reduced operations. These 25 projects had been awarded \$497,000 in LEAA funds. Twenty-four of the 25 projects merited continuation, according to State and project officials.

However, of the 163 long-term projects, 149, or 91 percent, were for the hiring or continued employment of law

enforcement personnel--police, sheriffs, and investigators. Such projects, which are the traditional methods of improving law enforcement, generally do not require as extensive an effort to obtain local support and funding as do other more innovative long-term projects, such as drug or alcohol treatment centers. Therefore, the results of continuing the personnel projects are probably not a good indication of the State's adequacy in applying good continuation practices.

The Alabama deputy director of the State criminal justice planning agency said Alabama has not established continuation policies for funding periods, increased matching funds, evaluations, or technical assistance.

Alabama has recognized the need to develop a grant application form which covers assumption of cost and to improve project evaluation. For example, in 1973 Alabama adopted the Michigan State grant application form. The form requires subgrantees to do advance project planning and establish criteria by which to measure the project's success so that local governments can make continuation funding decisions. Alabama is also improving evaluation procedures by having a local university develop a project evaluation plan.

To aid in planning and project continuation, State officials have developed general master plans which address planned, long-term State-wide criminal justice efforts. According to the Alabama criminal justice planning agency deputy director, this plan, required by LEAA's Atlanta region, provides two significant improvements over the comprehensive State plans which LEAA must approve annually. The master plans require that

- planning for criminal justice projects be based on all types of Federal, State, and local funds which might be available and
- anticipated long-range funding commitments by State and local governments for specific projects be identified so overall budget needs can be better determined.

California

Of 101 long-term projects, 56, awarded \$6,487,000 in LEAA funds, stopped or significantly reduced operations. According to State and project officials, 26 (46 percent) of the 56 merited continuation.

In contrast to Alabama, California has funded more long-term projects which were not for hiring personnel. In many cases, these grantees had to demonstrate their projects' effectiveness before local governments would assume the projects' costs. These projects, therefore, had a more difficult time continuing once LEAA funding stopped.

Of the 26 projects that had stopped or significantly reduced operations but were said to have merited continuation, 16 did so because of lack of local funds.

California's March 1973 application instructions state that assuming project costs is required but do not require that the application contain a section that addresses future funding plans. The State criminal justice agency planning director said sponsors know of the continuation intent and that, when they sign applications, they assume the implied responsibility for future funding. However, a detailed plan specifying how, when, and by whom project costs might be assumed is not a condition of the grant award.

Six projects were stopped or significantly reduced because of inadequate evaluations. State policy requires evaluation of all projects. The Director of the State criminal justice planning agency said this policy has not been enforced. Moreover, as noted in a previous GAO report, California officials were not satisfied with the adequacy of most project evaluations completed.¹

Several projects were stopped because of problems with the State's 3-year funding period policy--which meant that projects could expect to receive LEAA funds for 3 years--and lack of State funds. For example, a project which assisted parolees was funded for 1 year by the State with \$46,263 of LEAA funds. The project and its funding sponsor--the California Youth Authority--had originally expected 3 years of LEAA funding. However, 2 weeks before termination of LEAA's first year of funding, California criminal justice planning agency personnel visited the project. They believed it should be continued with youth authority funds because it had proven effective and therefore no longer needed LEAA funds, which were to be used to determine if the project was worthwhile.

¹"Progress in Determining Approaches Which Work in the Criminal Justice System," (Oct. 21, 1974, B-171019).

As a result, the project did not receive a second year of LEAA funding. The funding sponsor, however, had not planned to fund the project until the 3 years of LEAA funding ended. Therefore, the youth authority had insufficient funds to provide the \$100,000 needed to continue the program. Thus, a project stopped that both State and project officials thought merited continuation.

The 21 criminal justice planning regions in California, which are composed of 1 large county or group of small counties and recommend to the State funding of projects in their regions, had independently established priorities for approving projects. For example, the 1974 regional plans for two regions had substantial differences. One region established four criteria for selecting projects with the first priority going to projects presently being funded by the region. A second region, which had no priority for previously funded projects, established five general criteria, such as review of general objectives, project design, evaluation criteria, cost effectiveness, and impact on the justice system. How did these differences affect projects? The following example shows a project which was discontinued from LEAA funding before it could arrange for local funding because priorities were changed.

A juvenile delinquency project which project personnel originally thought would receive 3 years of funding was terminated from LEAA funding after 21 months. The project, which worked with school dropouts, received \$134,836 from LEAA. Project personnel said the project was just getting off the ground when the region changed its priorities and terminated project funding. The region wanted a rehabilitation rather than a crime prevention project. The project stopped since no other agency was prepared to assume funding at that time. The project staff did not anticipate the need to seek other funding sources during the project's second year because they expected to receive the 3 years of LEAA funding.

To help projects continue and plan for assuming costs, California established matching rates in May 1972 to require a decreased proportion of Federal funds for second- or third-year projects. No matching rates were required, but local funding had to be a greater percentage of a project's total funds in the third year than in the second year.

California has also developed a multiyear funding plan which essentially guarantees a project 2 years of funding if it performs satisfactorily. The State criminal justice planning agency director planned to extend the plan to

guarantee 3 years of funding for certain projects in fiscal year 1975.

Michigan

Of 64 long-term projects for which LEAA funding had ended, 23 had stopped or significantly reduced operations. These 23 had been awarded \$1,078,000 in LEAA funds. According to State and project officials, 9 of the 23 (39 percent) merited continuation. Although these figures indicate some problems in continuing worthwhile projects, they also indicate that Michigan had some success. Why?

One reason appears to be the way Michigan's grant application addresses cost assumption. Whereas other States may require a project applicant to merely indicate its awareness of the need to consider continuation fund, Michigan requires all applicants to:

- Express precisely the degree to which financial responsibility for continuing the projects can be assumed.
- Show the number of years of LEAA funding that will be required.
- Qualify and explain standards that will be used to determine if the project will be continued.

The State criminal justice planning agency administrator said that, although the assumption of cost plans cannot be practically enforced, the requirements increase the applicants' moral commitment to continue projects and require them to do advance planning, which they would otherwise probably ignore. He said that it has been stressed to applicants that LEAA funding is only short term and that the applicant is responsible for continuing projects.

State officials believe, however, that they should not intervene in local decisionmaking to insure project continuation. They believed that decisions to continue projects should come as a natural outgrowth from projects that were well thought out and that have made plans for continuation funding. Therefore, most assistance to applicants is provided during the planning stages to insure that the project is needed and is well planned and that adequate provisions have been made for administrative and fiscal control and for evaluation. Assistance may also be given if requested or as needed as evidenced by quarterly progress reports and onsite inspections.

Nevertheless, improvements can be made. Of the 9 projects that had stopped or significantly reduced operations and merited continuation, the lack of State or local funds was the primary reason in 5 cases. The State administrator acknowledged that one reason for this may have been that applications often did not include the assumption of cost information required in the grant application instructions. Obviously, the State must enforce its requirements to obtain full benefit from them.

One project was awarded two grants totaling about \$40,000 in LEAA funds to provide for regional police training by hiring a training coordinator. Both project and State personnel said the project merited continuation. However, it stopped after the LEAA grants ended because, according to a project representative, none of the police departments benefiting from the project were willing to assume or prorate the cost because of a lack of funds. The project's application did not have an assumption of cost plan. Had the State enforced its requirements that the application contain such a plan, the project may have continued because the police departments would at least have been aware early in the project's life that they would have been expected to fund the project once LEAA funding stopped.

Michigan officials were planning a program to incorporate factors affecting continuation into one system to assume better project continuation. The following changes should increase the chances of worthwhile projects continuing if Michigan adequately enforces them.

- Project funding periods would be specifically defined for various categories of projects. Most long-term projects would have 3-year funding periods. Second- and third-year grant applications would require less detail and would be approved if the project was progressing satisfactorily. Although projects were previously eligible for 2 and sometimes 3 years of funding, the decision to fund a project was more arbitrary and uncertain. The new system would provide a better basis on which to prepare plans for assuming costs.
- Third-year funding would be conditional on applicants agreeing to (1) provide 50 percent or more of the project's costs (only 10 percent is required during the first 2 years) and (2) assume all project costs during the fourth year. The assumption of cost provision would be included as a special condition to the third-year contract.

--Project evaluations would be completed before third-year funding decisions so they could be used as decisionmaking tools. Under the present system, evaluation reports are not due until after the grant period expires.

Ohio

Forty long-term projects were terminated from LEAA funding. Twenty-two, awarded \$1,068,000 in LEAA funds, stopped or significantly reduced operations. According to State and project officials, 15 (68 percent) merited continuation. The lack of State or local funds was the most frequent reason given why projects had stopped or reduced operations and indicates that there may not have been adequate planning to determine how worthwhile projects might continue when LEAA funding stopped.

To meet the act's requirement for assuming costs, Ohio adopted the following funding policy.

"* * * no action project will be granted funds for a period longer than necessary to establish it and demonstrate its usefulness, and then not more than three years of full funding plus a fourth year at two-thirds and a fifth year at one-third of the third year."

However, the Ohio grant application does not require an assumption of cost plan. As a result most of the applications do not contain a detailed cost assumption plan specifying how, when, and by whom project costs might be assumed. If the application contained such factors, more worthwhile projects might continue once LEAA funding stops.

The State criminal justice planning agency administrator said the main factor which influences project success is keeping the project director on the job. He said the State agency has no responsibility for continuing projects indefinitely because it provides funding for only 5 years at the most. Also the staff is not large enough to manage a continuation effort. Applicants are told that LEAA provides short-term, or seed, money. Therefore, according to the administrator, if project directors cannot convince local governments to assume the cost of the project in 5 years, perhaps the project should stop.

Even though Ohio policy provides up to 5 years of funding, adequate and orderly cost assumption planning is not always the case. The State, for example, may change

priorities and not have adequate money to continue previously funded projects. This can affect projects for which longer periods of support were planned.

Seven apparently worthwhile projects were denied second- or third-year funding, and the projects subsequently stopped or significantly reduced operations. One project, for example, provided legal advice to police departments and received about \$77,500 in LEAA funds over 2 years. According to the project director, the State agency denied the project's application for third-year funding because of the lack of LEAA funds. He said he expected the project to be funded since it was operating effectively and had good support from local police departments. He said there was not sufficient time after being advised that LEAA funds would not be available to have the local levels allocate adequate funds to the project for the next year. Therefore, project operations were reduced to about 5 percent of the LEAA-funded level.

The State does not require subgrantees to increase their shares of project costs. After providing full funding for 3 years, the State administrator said he had no authority to force subgrantees to increase their share in the fourth year, but encouraged them to do so. The subgrantee has the option of reducing the project in the fourth year and phasing out the project in the fifth year. This policy does not ease the transition from Federal to local funding, nor does it help insure that projects continue. The State administrator said no technical assistance is provided to applicants to increase the chances of worthwhile projects continuing. Assistance given is related to fiscal and administrative requirements necessary to apply for and operate under an LEAA grant.

The lack of adequate evaluations may also have affected the ability of projects to continue. The State administrator said evaluations were inadequate to help make funding decisions. Recognizing that evaluations were inadequate, in September 1972 the State received, under an LEAA contract with a management consulting firm, an evaluation "instrument" for each type of project funded. The evaluation instruments, or standards, are a list of quantified objectives which are determined before the project starts and are used to analyze the project's progress. These standards will be used to evaluate a project and to help make decisions to continue LEAA funding. Before receiving the standards, the State administrator said the State had no way to develop objective project data to help make funding decisions.

Oregon

LEAA is no longer funding 28 long-term projects, 8 of which stopped or significantly reduced operations. These projects had received LEAA grants totaling \$415,000 and were 29 percent of the long-term projects on which LEAA funding ended.

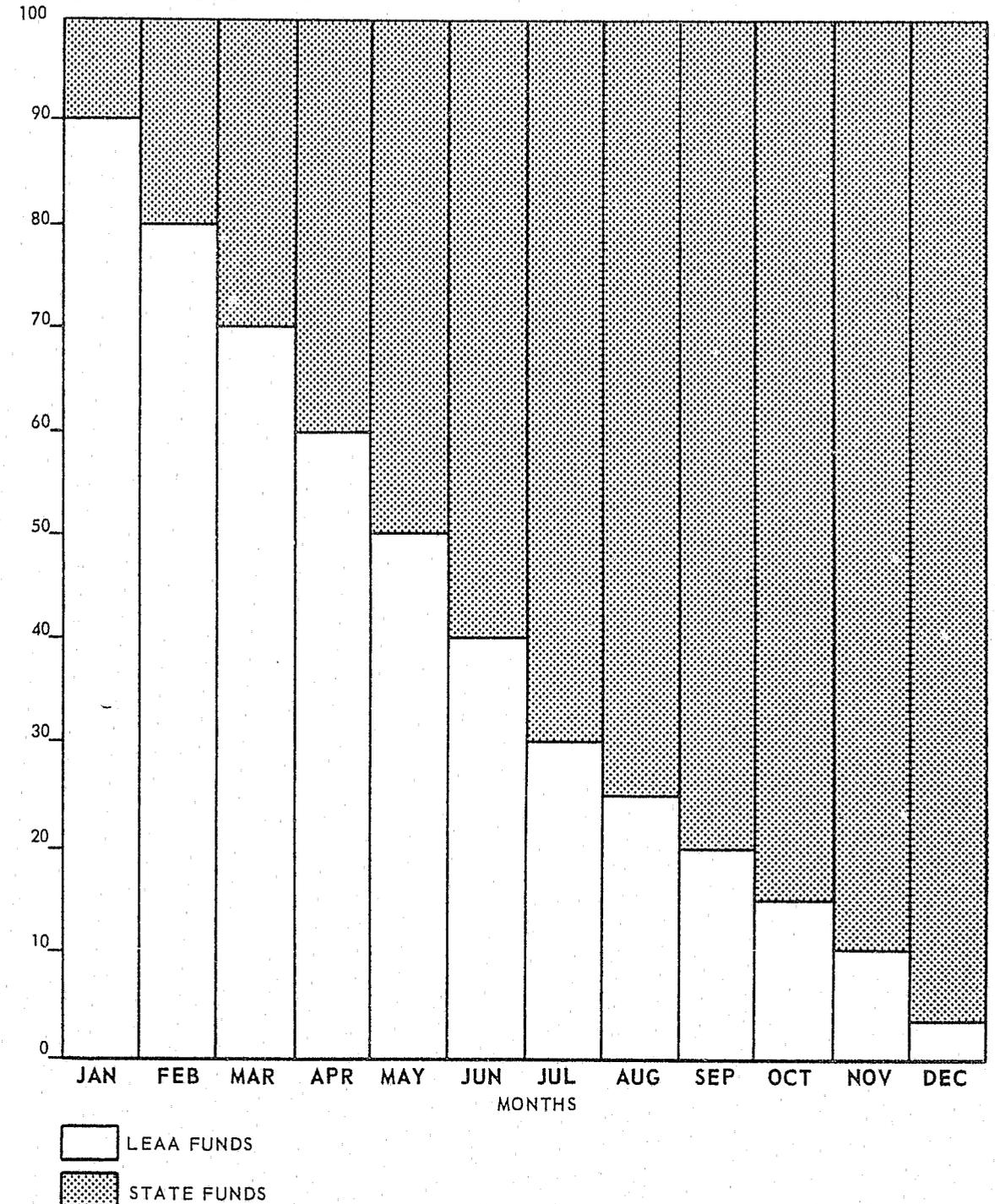
In April 1971 Oregon established a requirement that all new subgrantees describe plans to assume project costs after a reasonable period of LEAA funding. According to the State criminal justice planning agency administrator, the emphasis given by his law enforcement planners to helping projects continue and the implementation of specific continuation policies allowed more worthwhile projects to continue that might have had the emphasis not been given. In addition, the State had hired a full-time evaluation and technical assistance specialist.

Oregon did not have a formal assumption of cost policy before April 1973. Each project was reviewed individually using a general test of reasonableness to determine funding periods. Recognizing the need for an assumption of cost policy, in April 1973 Oregon developed the policy that projects would be funded for no longer than 4 years and local matching requirements for the 4 years would be 25, 25, 33-1/3, and 50 percent, respectively.

As a result of the change in the matching requirements in the Crime Control Act of 1973 (see p. 6), Oregon has changed its local matching requirements for the 4 years to 10, 20, 33-1/3, and 50 percent, respectively.

The way Oregon implemented assumption of cost planning is illustrated by the continuation of group homes for juveniles. Eight of Oregon's 20 projects that continued were group homes. These projects continued operating generally because of advance planning. LEAA money was to be used only to help start them. The State criminal justice planning agency and the State jointly established a 1-year declining funding plan for the projects. The following chart shows the proration of funds during the first year. After the first year, the State pays all operational expenses.

PERCENT OF FUNDS SUPPLIED



Nevertheless, Oregon did have problems in adequately carrying out its cost assumption plans. According to State and project officials, six of the eight (75 percent) projects that stopped or significantly reduced operations should have been continued. In our opinion, none of the six projects had adequate cost assumption plans. Applications generally did not describe (1) the criteria for judging project success, (2) when and by whom the funding would be assumed, and (3) the level of funding required to continue the project. Only one application listed criteria to determine if the project should be continued, and none showed the level and timing of future funding although five applications did show potential sources of funding. The State staff, therefore, has to closely monitor project operations so cost assumption plans will be adequately implemented.

Washington

Forty-four long-term projects were terminated from LEAA funding. Twenty-five projects, awarded \$2,310,000 in LEAA funds, stopped or significantly reduced operations. According to State and project officials, 15 projects (60 percent) merited continuation.

One reason why Washington could not continue more worthwhile projects was that cost assumption planning in grant applications was generally inadequate. Applicants were required to (1) indicate what resources would be available for continued funding of the project or implementation of its results at the conclusion of the project period and (2) identify how long LEAA funds would be necessary to continue the project. However, in implementing the requirements, applicants generally were not adequately planning for assuming costs, as indicated by examples of statements by applicants regarding the cost assumption provision.

--"An alternate method of financing will be found for the continuation of the program."

--"Continuation of financing for the project will be reviewed prior to the end of project year two."

--"The project was undertaken to program service for troubled youths as funded by [two sponsors]. Given the current trend toward budget reductions it is unlikely that continued financing for the project will be available through these two sources. Therefore, other avenues for continued funding are being explored."

Of the 25 projects that stopped or significantly reduced operation, 10 did so primarily because adequate funds could not be raised from other sources.

The State's first policy statement on funding long-term projects after LEAA funding ceases was adopted in 1971 and established a 3-year funding period and the use of increased matching funds. No matching fund percentages were required except that a greater percentage of local funding was required in each of the 3 years. The State would have obtained greater assurance that projects would continue if its policy would have required specific cost assumption plans. The State criminal justice planning agency administrator believed project continuation should improve as regional planning districts become more established because their influence over funding will increase and make it easier to obtain local support for worthwhile projects. According to the State administrator, technical assistance provided projects by regional planners should also help projects continue.

Inadequate evaluations were given as the reason why two projects significantly reduced operations. Although the State requires applications to indicate what arrangements will be made to evaluate project results by showing methods to be used and who will undertake the evaluation, it does not require that criteria be developed by which to judge project success.

CHAPTER 4

NATIONAL PERSPECTIVE

Data provided by 39 States and the District of Columbia indicated that, as with the 6 States reviewed, the extent to which long-term projects continued varied considerably among most States. (See app. III.)

PROJECT CONTINUATION

Of the 1,518 long-term projects started in the 39 States and the District that no longer receive LEAA funds, 432 either stopped or reduced operations. These 432 projects received about \$30 million in LEAA funds. However, the data provided by the States and the District was not specific enough to determine whether (1) projects had significantly reduced operations or (2) those projects whose operations were stopped or reduced merited continuation.

The lack of adequate data in ongoing information systems on the number of projects which continued once LEAA funding stopped also caused some of the information received to be questionable. For example, one State reported that it only had 5 long-term projects no longer being funded by LEAA, whereas followup with the State revealed 40 long-term projects had stopped or reduced operations.

State responses to our questionnaire also showed that some (1) short-term or equipment and training projects were classified as long term and (2) projects which were still being funded by LEAA were listed as projects no longer funded by LEAA.

POLICY VARIATIONS

State responses to the questionnaire provide a national indication of the variations in continuation policies and show that many States have not adequately addressed the continuation issue.

Funding period

Most States have adopted or plan to adopt periods for which they would fund projects with LEAA money. Because of the absence of LEAA guidelines, periods have been established ranging from 1 to 8 years. Seven States have no policies. The following table shows the funding periods of all States.

	Number of States	Percent
Funding period in years:		
1	2	4
2	7	14
3	24	47
4	1	2
5	2	4
8	1	2
No policy or time limit	7	13
Variable (note a)	7	14
	<u>51</u>	<u>100</u>

^aRanged from 1 to 4 years.

Cost assumption data in State grant applications

Cost assumption information in States' applications used by subgrantees varied significantly.

--24 States did not require a plan showing how, when, and by whom project costs will be assumed.

--1 State required that only potential funding sources be identified.

--25 States and the District require grant applications to show various types of plans indicating how, when, and by whom project costs will be assumed.

In recognition that not all projects merit continuation, five States require that applicants quantify criteria which will be used to determine whether the projects warrant continuation.

Matching rates

Although the 1968 act specified that 25 percent of project funds be provided by State and local governments¹ and 75 percent by LEAA, 21 States have established progressive local matching rates exceeding 25 percent to help provide an incentive for local governments to increase the extent to which projects continue. Five States said they

¹The State and local governments' shares could be either in cash or in-kind services.

use progressive matching rates but have not set specific percentages. The other 24 States and the District have not established matching rate policies. As noted in the table below, 26 States had varying ranges of matching rates for different years of funding.

Number of States	Years of funding	Ranges of project matching rates by year				
		1	2	3	4	5
3	2	25	40 to 60			
12	3	25	25 to 50	33 to 75		
2	4	25	25	33	50	
4	3	(Greater percentage each year)				
5	1 to 3	(Indefinite amount each year)				

26

The table does not reflect changes which may have occurred in State policies as a result of the Crime Control Act of 1973. This legislation reduced the minimum State and local matching rate from 25 to 10 percent and required that the State and local matching funds be in cash, rather than in-kind services or cash as previously permitted. These changes will undoubtedly influence the established matching rates but will not eliminate the differences among States.¹

The use of increasing project matching rates provides greater assurance that worthwhile projects will continue after LEAA funding stops.

Technical assistance

Although the type of technical assistance provided subgrantees by States varied, most States provided very limited assistance. Six States and the District reported that no assistance is given to help projects continue; another 16 said assistance is provided only upon request; 27 said assistance is provided informally; and 1 said it had not experienced the continuation problem.

¹The way Oregon changed its matching rate is discussed on page 22.

Examples follow of the States' responses to our question concerning the extent to which they helped subgrantees to increase the chances of continuing worthwhile projects once LEAA funding stopped.

--None.

--Technical assistance from State planners in police, courts, and corrections.

--On request, will assist in budgeting, preparing proposals, and integrating project activities into grantee's operations.

--On request, technical assistance is offered for developing an evaluation design.

--Grantees know of our policy of 2 plus years of funding. They are, therefore, encouraged to obtain subsequent funding at the time the grant is initiated or they should not start it.

--If we feel the project is worthwhile, we work with the grantee in the legislature or in the appropriate county or local group. Occasionally, we can suggest a State or an alternative Federal program for which the project is eligible.

Neither LEAA nor the States have issued specific guidelines to help projects continue.

LEAA guidelines have been limited to such actions as pointing out to States the Federal requirements concerning the willingness of States and local governments to continue projects after Federal assistance ends.

Some States have employed various techniques to better insure that projects continue, such as increasing matching rates and cost assumption planning in grant applications; other States have not addressed the need to insure continuation of worthwhile projects. The differences between States indicate a need for national direction.

CHAPTER 5

OPPORTUNITY TO INCREASE CONTINUATION

OF LONG-TERM PROJECTS

LEAA and State policies need to be developed and coordinated to better insure that worthwhile projects continue. As explained in chapter 2, the lack of adequate LEAA and State continuation policies resulted in many worthwhile projects stopping or reducing operations after LEAA funding was terminated.

However, in the 6 States visited, only about 440 projects, or 13 percent, of the 3,473 terminated projects were long term. The long-term projects no longer receiving LEAA funding will significantly increase due to increased emphasis by LEAA and the States to fund long-term rather than short-term projects and expiration of multiyear LEAA funding.

Fiscal year 1969 and 1970 LEAA funds were used primarily to purchase equipment and for other short-term projects. More emphasis was subsequently placed on funding long-term projects. For example, the following table shows the increased number of long-term projects funded in two States visited.

	<u>Long-Term Projects</u>		
<u>FY</u>	<u>Ohio</u>	<u>California</u>	<u>Total</u>
1969	6	16	22
1970	64	144	208
1971	130	226	356
1972	177	181	358

The primary reason why more long-term projects will stop receiving LEAA funds is the completion of projects which received several years of LEAA funding. Most States reported that they have established funding periods of 3 or more years during which projects can be supported with LEAA funds. Since fewer long-term projects were started with fiscal year 1969 and 1970 funds than in subsequent years, most long-term projects continued to receive LEAA funding until at least fiscal year 1974.

As a result of the length of LEAA funding periods and increased emphasis on funding long-term projects, many States have not yet had to deal with problems of continuing many projects. For example, 15 States and the District reported that fewer than 20 long-term projects had been

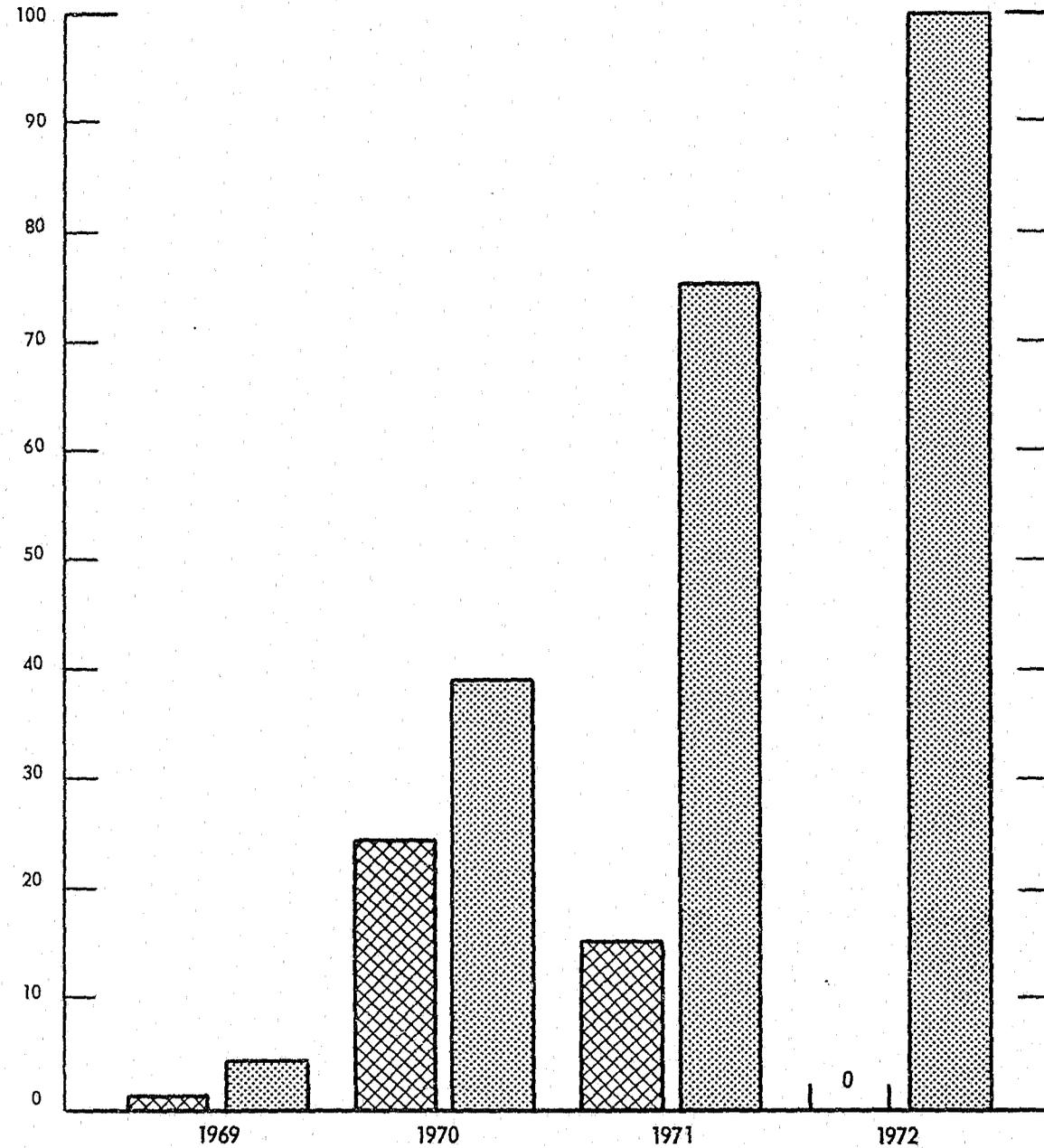
terminated from LEAA funding, generally as of late 1973. The following State reports illustrate the increase in long-term projects that will be terminated from LEAA funding.

- Mississippi anticipates several terminations within calendar year 1974, possibly from 80 to 120 major grants. Only three long-term projects had been terminated from LEAA funding as of March 31, 1973.
- Connecticut has not been faced with terminating very many projects as most projects were in their second and third years of funding. During the coming year the State will have to decide whether to terminate programs according to its 3-year guideline.
- In South Carolina no long-term projects were started during the first few years of the LEAA program, and all the long-term projects subsequently started were still being funded with LEAA funds.

The following chart on Ohio's projects illustrates the large increase in long-term projects that have been funded and subsequently will be terminated from LEAA funding.

LONG-TERM PROJECT STARTS BY FUND YEAR IN OHIO

NUMBER OF PROJECTS



-  LONG-TERM PROJECTS NO LONGER RECEIVING FEDERAL FUNDING AFTER 6/30/73
-  LONG-TERM PROJECTS THAT RECEIVED LEAA FUNDING AFTER 6/30/73 AND WILL BE TERMINATED AFTER THAT DATE

As a result of this trend in most States, it becomes essential that LEAA and the States develop better guidelines and policies to lessen the problem of having many worthwhile projects stop or significantly reduce operations.

CHAPTER 6

CONCLUSIONS, RECOMMENDATIONS, AND

AGENCY COMMENTS

CONCLUSIONS

LEAA funds provided to States can have a significant impact since LEAA is the primary source of funds for innovations and improvements in the criminal justice system. To date, however, the long-term impact has not been as great as possible because State and local governments have not continued all worthwhile projects after LEAA funding ended.

Lack of LEAA guidance to States encouraging continuation of worthwhile projects and resulting differences in States' policies has contributed to the varying degrees of success States have had in continuing projects. Significant differences exist in project funding periods, plans for assuming cost, matching rates, project evaluations, and technical assistance. These factors can affect the degree to which projects continue. Further neither LEAA nor the States had management information systems that showed the extent to which projects were being continued after LEAA funding stopped.

LEAA should require the States to develop and implement policies and procedures designed to increase the chances of projects continuing. Such policies and procedures are especially important in view of the large number of long-term projects for which LEAA funding will stop in the next few years.

The issue of how to institutionalize improvements begun with LEAA funds is important in light of congressional intent that LEAA funds act as a catalyst to allow the States to make lasting improvements. The previous chapters have shown that neither LEAA's guidelines nor the States' actions have been sufficient to insure that LEAA funds have had the maximum impact possible.

Both LEAA and the States must provide better assurance that worthwhile long-term projects continue once LEAA funding stops. As a first step, LEAA and the States need to develop better information on what happens to projects once LEAA funding stops. LEAA should develop more specific guidelines that States must follow.

But in the long run, the real burden rests with the States and localities. Reducing or preventing crime and improving the criminal justice system is primarily a State and local responsibility. If they are not willing to commit

the resources to continue worthwhile efforts, there is little the Federal Government can do. By aggressively implementing cost assumption planning, the States can show that they are committed to the idea of trying to use LEAA funds as a starting point for making lasting improvements to their criminal justice systems.

RECOMMENDATIONS TO THE ATTORNEY GENERAL

To develop the information needed to assess the long-term impact of the LEAA program, determine potential weaknesses, and better insure that projects are continued, we recommend that the Attorney General direct LEAA to:

- Require that LEAA and State information systems be improved to provide for developing information on the extent to which projects continue.
- Establish requirements for reporting in State law enforcement plans and in the LEAA Annual Report on the continuation of long-term projects after LEAA funding stops.
- Require that LEAA develop a coordinated continuation policy to be implemented by each State, which addresses:
 1. Defining how long LEAA funds should be used to support each type of project.
 2. Developing funding methods which ease the transition to full State and/or local funding, such as progressive matching rates.
 3. Defining standard grant application provisions which detail how, when, by whom, and under what conditions project costs will be assumed.
 4. Defining the types of technical assistance to be offered in planning for future continuation of projects.

AGENCY COMMENTS AND ACTIONS

The Department of Justice advised us by letter dated November 13, 1974, of its comments on the report and how it intends to improve the long-term impact of the LEAA grant program.

The Department agreed with our recommendations that LEAA and the States develop better information on the extent to which projects continue and report such data in LEAA's

Annual Report and stated that it would explore ways to obtain and report it.

The Department did not agree to completely implement our recommendation that LEAA modify its current project continuation guidelines to develop a more coordinated continuation policy to be implemented by each State. It stated that the issues of defining how long LEAA funds should be used, of developing methods of transition to full local funding, and of defining standard grant application provisions and the nature of technical assistance to be provided are far reaching and will be given further study by LEAA.

We agree with LEAA that such changes could be far reaching and therefore do not object to further study. But the danger is that the issue will be studied indefinitely and no conclusion will be reached. Therefore we believe it would be desirable if LEAA completed its study of these matters before submitting its fiscal year 1976 budget request to the Congress and reported to the Congress on what it believes should be done as a result of our findings and recommendations.

The Department stated that LEAA would consider setting parameters in terms of guidelines to be followed that were consistent with its legislation, which the Department stated does not appear to warrant LEAA dictating a rigid policy. We agree that such guidelines should provide general parameters and allow the States specific flexibility.

The Department also believed that LEAA's December 10, 1973, continuation guidelines were adequate. It cited certain sections of the December 1973 guidelines that it believed adequately addressed the issue. We noted on pages 8 and 9 of this report that these guidelines were a step in the right direction. However, we believe they need to be more specific to insure that the cost assumption issue is addressed adequately.

The Administrator of the Oregon State criminal justice planning agency believed the key to continual funding of worthwhile projects is institutionalization. He noted that

"In the broadest sense, this included not only the simple act of increased local funding, but also the qualities of affirmative acceptance by sponsor agencies, clientele, public, and other criminal justice agencies. All of these would result in a genuinely 'built-in' character of the subject activities within the governmental structure, as distinguished from possibly grudging adoption.

Incorporation of the concept of institutionalization into policy and guidelines would be a constructive move."

We believe the best way to incorporate the concept of institutionalization into policy and guidelines is for LEAA to make its December 1973 guidelines specific.

Generally the States reviewed agreed that there was a need to more fully consider ways to insure that worthwhile projects continue once LEAA funding stops and to obtain better information on what happens to projects when LEAA funding stops. Moreover, several noted that they were taking action to improve the ability of projects to secure fundings once LEAA funding ceased. For example, California stated that future grant applications will include "the detail of how, when, and by whom costs are expected to be assumed." Additionally, California will instruct its project liaison staff to make cost assumption efforts a priority item when providing technical assistance and making monitoring visits to projects. Ohio has included in its directives a statement reemphasizing to subgrantees their responsibilities for assuring continued funding.



UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the
Division Indicated
and Refer to Initials and Number

NOV 13 1974

Mr. Victor L. Lowe
Director
General Government Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Lowe:

This letter responds to your request for comments on the draft report titled, "Need to Improve the Long-Term Impact of the LEAA Grant Program" (B-171019).

While we are in general agreement with the report and its recommendations, we believe that some statements made in various sections of the report confuse the issues involved, and the statistics presented tend to be somewhat nonsupportive of GAO's position. For example, the statement made on page 16 of the report indicates that many apparently worthwhile long-term projects were discontinued or had their operations significantly reduced after LEAA funding ended. However, on page 18, the report states that as of June 30, 1973, only a small percentage of projects no longer receiving LEAA funds were for long-term purposes. Also, the report notes on page 19 that 338 of 440 long-term projects in six States were in fact continued with local funding after LEAA funding ended as of July 1, 1973. The facts in these statements are not consistent and tend to confuse the reader. With regard to the statistics cited on pages 16 and 20 of the report, a total of 39,457 block grants are shown as awarded with eventual identification of only 95 long-term projects that were discontinued because LEAA funding ended. These statistics tend to leave the reader with the impression that the problem is relatively insignificant.

GAO note: Page references in this letter refer to the draft report.

GAO also recognizes that not all long-term grants should continue to receive funding. It is possible that some of the 95 grants characterized by State and local project officials as having "merit but not continued" might have been found "terminated for good reason" had these grants received full-fledged evaluations.

In general, we agree that there is a need to improve LEAA's evaluation capability to assess project effectiveness and efficiency, especially in relation to other services or programs already in operation. LEAA is placing strong emphasis on improving evaluation criteria as a means of providing local officials with more complete and objective data on which to base the decision of whether to continue or discontinue funding.

We also agree with the recommendation that LEAA and State Information Systems should be improved to provide better data concerning not only project continuation but also general outcome. Both the national and State Grant Management Information Systems are moving in this direction and continuous reviews will be made to determine whether additional modifications are required. LEAA will be collecting comprehensive information to determine historic program priority trends among State and local governments. With this information, LEAA will be able to identify those States willing to commit their own funds for projects initially supported with LEAA funds. We consider this information essential, therefore, GAO's recommendation is a sound one.

The report also recommends that "the extent to which projects continue be reported in State law enforcement plans and the LEAA Annual Report." LEAA will examine possible methods of obtaining this information. One possible solution would be to require States to attach a "past progress" document to their comprehensive plans. This document would provide details of previously funded and continuing projects. We believe information developed in some form, showing the extent to which projects continue, would serve a useful purpose.

The final recommendation suggests that "LEAA develop a coordinated continuation policy to be implemented by each State, which addresses:

- Defining how long LEAA funds should be used to support each type of project;

- Developing funding methods which ease the transition to full State and/or local funding, such as through the use of progressive matching rates;

- Defining standard grant application provisions which detail how, when, by whom, and under what conditions project costs will be assumed; and

- Defining the types of technical assistance that must be offered to all projects."

The issues involved in this recommendation are far reaching and will require further study by LEAA. Our preliminary views on the four points included in the recommendation are noted below.

The first and second recommendations suggest defining how long LEAA funds should be used to support each type of project and developing funding methods which ease the transition to full State or local funding. LEAA legislation does not appear to warrant the agency dictating a rigid policy in this area. On the other hand, development of a coordinated LEAA/State continuation policy is important and, where feasible, LEAA will consider establishing guidelines in terms of parameters to be followed.

The third point recommends defining standard grant application provisions which detail how, when, by whom, and under what conditions project costs will be assumed. This recommendation is based on GAO's conclusion that "The varying degrees of success the States had in continuing worthwhile projects after LEAA funding stopped were attributable to a lack of adequate LEAA guidelines and the resulting differences in State policies that developed." We do not agree with the conclusion and believe that the LEAA guidelines issued in December 1973 are adequate, but will require stringent enforcement. LEAA published a Guideline Manual titled, "State Planning Agency Grants," M4100.1B, on December 10, 1973. We believe the manual contains an adequate policy statement on the State assumption of cost in Chapter 1, paragraph 19, "(Comprehensive Law Enforcement) Plan Implementation." In addition, Chapter 3, Comprehensive Law Enforcement Plan Outline, contains a major section entitled, "The Multi-Year Plan". This section describes multiyear budgeting procedures, includes subsections providing for State/local matching contributions, and acknowledges the need for flexibility in preparing budget estimates and updates. Because circumstances and conditions differ among the States, LEAA has intentionally permitted continuation policies, budgeting practices, program priorities, and administrative procedures to differ among the States. However, minimum requirements exist for all States.

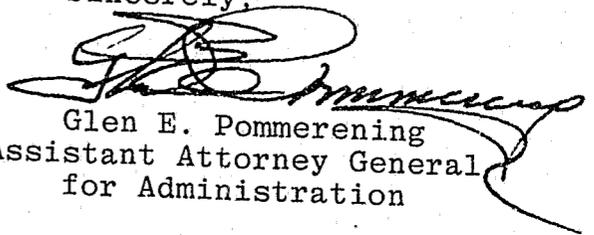
LEAA recognizes that some State Planning Agencies (SPA) need more help in writing their plans and that more systematic data collection is required to evaluate long-term grant efforts. However, we believe rigid "guidelines" designed to eradicate variations among States are inappropriate.

With respect to the last point, LEAA recognizes the need for more effective technical assistance from both the SPA and LEAA. The Office of National Priority Programs was established within LEAA to carry out national priority initiatives which will promote the reduction and prevention of crime and delinquency through long-term fundamental changes in local institutions. The basic strategy of the approach is to have LEAA function as a catalyst to promote effective community action on community problems. This strategy is being implemented by having skilled professionals, working in teams and backed by discretionary funds, actively participate with a community group to diagnose problems and opportunities, select appropriate responses, and implement approved reforms leading to permanent changes. When finished, the team of skilled professionals will leave behind not only specific improvements and practical plans tailored to local needs and perceptions, but also a cadre of local personnel trained to continue the evaluation and implementation process. Thus, LEAA is actively promoting the national objective of fostering good useful projects by providing professional expertise and initial funding in a process which will culminate in an orderly progression to local operation, local control, and local support.

To be more responsive to technical assistance needs, LEAA's Office of Regional Operations and its regional offices are increasing their technical expertise, both in-house and through contracts, in the various areas of the criminal justice system. We will also give additional consideration to finding ways for improving the technical assistance provided by SPA's. Possibly, as suggested by GAO, a set of minimum guidelines would be helpful.

We appreciate the opportunity to comment on this draft report. Please feel free to contact us if you have any questions.

Sincerely,


Glen E. Pommerening
Assistant Attorney General
for Administration

LONG-TERM PROJECTS THAT STOPPED
OR SIGNIFICANTLY REDUCED OPERATIONS
IN SIX STATES VISITED

Primary reason for stopping or reducing operations	Total projects	Projects that should have continued		Alabama (note c)			California		
		Number	Percent	Total projects	Merited continuation		Total projects	Merited continuation	
				Number	Number	Percent	Number	Number	Percent
Ineffective	13	-	-	-	-	-	5	-	-
Not needed	11	-	-	1	-	-	2	-	-
Inadequate evaluation	13	5	38	-	-	-	6	2	33
Lack of State or local funds (note a)	72	58	81	18	18	100	25	16	64
Poor administration	19	7	37	2	2	100	6	1	17
Other (note b)	<u>31</u>	<u>25</u>	81	<u>4</u>	<u>4</u>	100	<u>12</u>	<u>7</u>	58
Total	<u>159</u>	<u>95</u>	60	<u>25</u>	<u>24</u>	96	<u>56</u>	<u>26</u>	46

^aPrimarily due to inadequate cost assumption planning regarding such things as securing a firm commitment from potential funding sponsors and developing adequate increasing local matching rates.

^bIncludes such things as lack of qualified persons to hire and change in regional priorities.

^cSee pp. 14 and 15 for explanation of why so many projects in Alabama merited continuation.

Michigan			Ohio			Oregon			Washington		
Total projects	Merited continuation										
	Number	Percent									
6	-	-	-	-	-	-	-	-	2	-	-
1	-	-	3	-	-	-	-	-	4	-	-
1	-	-	1	-	-	3	1	33	2	2	100
6	5	83	8	6	75	5	5	100	10	8	80
4	-	-	4	3	75	-	-	-	3	1	33
5	4	80	6	6	100	-	-	-	4	4	100
<u>23</u>	<u>9</u>	39	<u>22</u>	<u>15</u>	68	<u>8</u>	<u>6</u>	75	<u>25</u>	<u>15</u>	60

TOTAL PROJECTS TERMINATED AND STATUS
OF LONG-TERM PROJECTS NO LONGER FUNDED BY LEAA
IN 39 STATES AND DISTRICT OF COLUMBIA

State	Total projects terminated	Long-term projects						Percent reduced or not operating	
		No longer getting LEAA funds		Not operating		Reduced		Number	Amount
		Number	Amount	Number	Amount	Number	Amount		
Alabama	1,310	163	\$ 2,593,556	19	\$ 280,456	6	\$ 216,526	15	19
Alaska	154	12	327,663	2	15,450	-	-	17	4
Arizona	425	20	284,736	1	8,793	1	43,768	10	18
Arkansas	679	88	978,073	8	54,352	(a)	(a)	9	6
California	450	101	2,385,920	33	3,673,225	23	2,813,437	55	48
Colorado	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Connecticut	575	21	627,553	6	139,463	(a)	(a)	29	22
Delaware	63	(b)	149,359	2	83,734	(a)	(a)	50	56
Florida	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Georgia	1,479	1	788,441	2	32,296	2	8,287	10	5
Hawaii	129	1	140,787	2	32,429	1	7,300	25	28
Idaho	753	3	104,332	2	6,564	-	-	22	6
Illinois	769	27	26,992,265	70	8,700,485	4	152,659	40	33
Indiana	1,397	75	1,754,427	20	405,835	12	352,732	43	43
Iowa	546	2	2,089,771	2	154,890	7	516,271	24	32
Kansas	602	37	1,201,127	11	449,160	1	19,851	32	39
Kentucky	228	20	922,623	10	309,976	1	103,838	55	45
Louisiana	1,867	9	1,397,568	-	-	1	43,432	11	3
Maine	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Maryland	616	23	2,290,956	4	575,512	(a)	(a)	17	25
Massachusetts	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Michigan	265	64	4,481,277	19	842,251	4	235,456	36	24
Minnesota	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Mississippi	804	3	110,318	-	-	-	-	-	-
Missouri	690	47	1,413,708	5	85,882	(a)	(a)	13	6
Montana	1,010	24	581,842	5	92,947	1	7,606	25	17
Nebraska	640	33	875,056	1	2,572	3	44,395	12	5
Nevada	343	24	370,763	8	65,302	1	9,000	38	20
New Hampshire	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
New Jersey	284	10	255,269	3	39,127	(a)	(a)	30	15
New Mexico	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
New York	225	65	12,951,740	23	3,113,357	1	11,550	37	24
North Carolina	258	54	1,033,946	4	185,394	(a)	(a)	7	18
North Dakota	450	17	572,864	5	122,147	(a)	(a)	29	21
Ohio	1,068	40	2,066,293	13	681,032	9	386,645	55	52
Oklahoma	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Oregon	112	28	1,644,352	5	403,214	3	11,545	29	25
Pennsylvania	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Rhode Island	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
South Carolina	1,980	(c)	(c)	(c)	(c)	(c)	(c)	(d)	(d)
South Dakota	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Tennessee	1,234	8	309,579	-	-	3	223,480	38	72
Texas	399	28	2,232,733	1	1,140	-	(a)	4	-
Utah	331	9	378,456	1	128,226	-	(a)	11	34
Vermont	133	3	36,575	-	-	-	(a)	-	-
Virginia	1,067	2	133,244	-	-	-	(a)	-	-
Washington	268	44	3,218,356	13	710,532	12	1,599,626	57	72
West Virginia	526	4	559,383	3	136,261	-	(a)	75	24
Wisconsin	905	57	1,823,919	10	247,449	3	292,273	23	30
Wyoming	542	9	158,997	7	102,315	-	(a)	78	64
District of Columbia	125	15	2,369,578	5	589,706	-	(a)	33	25
Total	25,701	1,518	\$93,667,405	333	\$22,471,474	99	\$7,099,677		

Total projects not operating or reduced

432

Total amount of projects not operating or reduced

\$29,571,151

^aUnknown.

^bSupplied no data.

^cReported no long-term projects.

^dNot applicable.

PRINCIPAL OFFICIALS OF THE DEPARTMENT OF JUSTICE
RESPONSIBLE FOR ADMINISTERING ACTIVITIES

DISCUSSED IN THIS REPORT

Tenure of office
From To

ATTORNEY GENERAL:

William B. Saxbe
Robert H. Bork (acting)
Elliot L. Richardson
Richard G. Kleindienst
Richard G. Kleindienst
(acting)
John N. Mitchell

Jan. 1974 Present
Oct. 1973 Jan. 1974
May 1973 Oct. 1973
June 1972 May 1973
Mar. 1972 June 1972
Jan. 1969 Feb. 1972

ADMINISTRATOR, LAW ENFORCEMENT
ASSISTANCE ADMINISTRATION:

Richard W. Velde
Donald E. Santarelli
Jerris Leonard
Vacant
Charles H. Rogovin

Sept. 1974 Present
Apr. 1973 Aug. 1974
May 1971 Mar. 1973
June 1970 May 1971
Mar. 1969 June 1970

END

7. 11/25/1961