2005
S.T.O.P
VIOLENCE AGAINST WOMEN GRANT

FINANCIAL
AND
ADMINISTRATIVE
GUIDE

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FORWARD

December 1, 2005

Dear Subgrantee:

On behalf of the Violence Against Women Advisory Board and The District Attorneys Council (DAC), I want to congratulate you on receiving a S.T.O.P. Violence Against Women Grant (S.T.O.P. VAWA).

As you may know, the Federal Grants Division within the DAC is responsible for the management of six federal grant programs. Funding for this grant is received from the Office of Violence Against Women (OVAW), Office of Justice Programs, United States Department of Justice.

The Division serves as the point of contact between the State of Oklahoma and OVAW in administering the grant programs. The grant programs administered by the Division are the:

1. *Justice Assistance Grant*
2. *National Criminal History Improvement Program Cooperative Agreement*
3. *S.T.O.P. Violence Against Women Formula Grant*
4. *Residential Substance Abuse Treatment Grant*
5. *Project Safe Neighborhoods Grant*
6. *Coverdell Forensic Sciences Improvement Grant*

In administering these grants, the Federal Grants Division:

- Prepares the applications for the federal grant funds
- Ensures coordination between the federal funding sources and the subgrantees
- Provides staff support to the six oversight boards and task forces
- Develops and distributes the grant application notices and the grant application forms
- Receives and coordinates the distribution of the grant applications to the various Boards for review
- Reviews and makes recommendations to the boards regarding the funding for submitted grant applications
- Receives funds from the federal granting agency and then disburses funds to the subgrantees throughout the grant cycles
- Evaluates and monitors compliance of subgrantees in meeting State and federal requirements

- Provides guidance and technical assistance to subgrantees
- Collects statistical data from the subgrantees to assess program effectiveness and provide information to the federal granting agency
- Prepares and submits the required progress, financial, and evaluation reports to the federal granting source

One of the primary functions of the Federal Grants Division is to ensure the fiscal accountability and programmatic integrity of the federal grant program through the proactive monitoring of the subgrantees. It is the responsibility of the Program Monitor, who is assigned to the various federal grant programs, to assist the subgrantees in implementing approved projects within a framework of relevant State and federal statutes, regulations, policies, procedures, and guidelines to achieve maximum success. In doing so, the District Attorneys Council advocates good stewardship of the awarded federal funds and addresses a portion of the State-administering agency responsibilities.

We want each subgrantee to achieve success in implementing their grant program. We are available for consultation and technical assistance at any time. If assistance is needed, please contact us at 405/264-5008.

Sincerely,

DeLynn Fudge
Director of Federal Grants Division

ADMINISTRATIVE/PROGRAMMATIC GUIDELINES

GRANT PURPOSE

The purpose of the S·T·O·P (Services, Training, Officers and Prosecutors) Violence Against Women Formula Grants is to assist states in developing and strengthening the criminal justice system's response to violence against women and to support and enhance services for victims.

GRANT PROGRAM LIMITATIONS

S·T·O·P VAWA funds may not be used to support activities that compromise victim safety in order to advance offender accountability. An example of these activities may include failing to respect victim autonomy and decision-making. Using the coercive power of the court by forcing victims to speak with a victim advocate or subpoenaing victims and then arresting them if they fail to appear for court does not respect victim autonomy and decision-making.

Children's services supported with S·T·O·P VAWA funds must be inextricably linked to providing services to victims of domestic violence. For example, S·T·O·P VAWA funds may support the expansion of shelter services for battered women to include programs for their children. S·T·O·P VAWA funds may not be used to support services that focus exclusively on children or to develop sexual assault or domestic violence prevention curricula for schools.

S·T·O·P VAWA funds may not support legal or defense services for perpetrators of violence against women (see §90.2(l)(1) of the 1994 Violence Against Women Act implementing regulations published in the April 18, 1995 Federal Register). But they may support batterers' intervention programs, if the intervention is part of a graduated range of sanctions that use the coercive power of the criminal justice system to hold abusers accountable for their criminal actions and for changing their behavior.

S·T·O·P VAWA funds may not be used to support services for obtaining divorces. Divorces and legal separations are civil proceedings that fall outside the scope of the eleven broad purposes for which STOP funds may be used.

GRANT PROGRAM PRIORITIES

The goal of the S·T·O·P Violence Against Woman Act Grant Program (S·T·O·P VAWA Program) is to implement comprehensive strategies that are sensitive to the needs and safety of victims and hold offenders accountable for their crimes.

S·T·O·P VAWA grants may be used for the following purposes:

1. Training law enforcement officers, judges, other court personnel, and prosecutors to more effectively identify and respond to violent crimes against women, including the crimes of sexual assault, domestic violence, and dating violence.

2. Developing, training, or expanding units of law enforcement officers, judges, other court personnel, and prosecutors specifically targeting violent crimes against women, including sexual assault and domestic violence.

3. Developing and implementing more effective police, court, and prosecution policies, protocols, orders, and services devoted to preventing, identifying, and responding to violent crimes against women, including sexual assault and domestic violence.

4. Developing, installing, or expanding data collection and communication systems, including computerized systems linking police, prosecution, and the courts or for the purpose of identifying and tracking arrests, protection orders, violations of protection orders, prosecutions, and convictions for violent crimes against women, including the crimes of sexual assault and domestic violence, including the reporting of such information to the National Instant Criminal Background Check System.

5. Developing, enlarging, or strengthening victim services programs, including sexual assault, domestic violence, and dating violence programs; developing or improving the delivery of victim services to underserved populations; providing specialized domestic violence court advocates in courts where a significant number of protection orders are granted; and increasing reporting and reducing attrition rates for cases involving violent crimes against women, including sexual assault and domestic violence.

6. Developing, expanding, or strengthening programs addressing stalking.

7. Developing, enlarging, or strengthening programs addressing the needs and circumstances of Indian tribes dealing with violent crimes against women, including the crimes of sexual assault and domestic violence.

8. Supporting formal and informal statewide, multidisciplinary efforts, to the extent not supported by state funds, to coordinate the response of state law enforcement agencies, prosecutors, courts, victim services agencies, and other state agencies and departments, to violent crimes against women, including the crimes of sexual assault, domestic violence, and dating violence.

9. Training of sexual assault forensic medical personnel examiners in the collection and preservation of evidence, analysis, prevention and providing expert testimony and treatment of trauma related to sexual assault.

10. Developing, enlarging, or strengthening programs to assist law enforcement, prosecutors, courts, and others to address the needs and circumstances of older and disabled women who are victims of domestic violence or sexual assault,

including recognizing, investigating, and prosecuting instances of such violence or assault and targeting outreach and support, counseling, and other victim services to such older and disabled individuals.

11. Providing assistance to victims of domestic violence and sexual assault in immigration matters.

AWARD PERIOD
The award period for this grant is January 1, 2006, through December 31, 2006.

AWARD ACCEPTANCE PROCEDURES
The Federal Programs Division in the District Attorneys Council will forward the Award Notice, the Special Conditions, and other critical documents to the subgrantee prior to the award date. The Award Notice constitutes the operative document obligating and reserving the federal funds for use by the subgrantee. The obligation of the awarded funds is forfeited without further cause if the subgrantee fails to sign and return the Award Document within 45 days from the date of the award, or **February 15, 2006**.

All documents must be signed by the Chief Executive Officer. Some documents may require the Project Director's signature in addition to the CEO. **The Chief Executive Officer is the District Attorney, City Manager, Mayor, Chairperson of the County Commissioners, Tribal Official or Chairperson of the Board of Directors.** The Project Director, Police Chief, Executive Director or Sheriff does NOT have authorization to sign as the Chief Executive Officer.

The following award documents that must be returned by **February 15, 2006**.

DOCUMENT	INSTRUCTIONS
Award Notice	Chief Executive Officer must sign and date. The document must be notarized. Return to DAC by **February 15, 2006.**
Special Conditions	Chief Executive Officer and Project Director must sign and date. Return to DAC by **February 15, 2006.**
Form A-1 Authorization to Sign Project Documents	Chief Executive Officer and Project Director must sign and date. Return to DAC by **February 15, 2006.**
Form A-4 Certification of Equal Employment Opportunity Plan	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **February 15, 2006.**
Form A10 Statement of Audit Arrangements	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **February 15, 2006.**
Form A-12 Disclosure of Lobbying Activities	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **February 15, 2006.**

Budget Forms	If the Board approved less than the amount requested in the original application, all budget forms including the narrative, must be resubmitted. Complete and return by **February 15, 2006.**
Goals and Objectives	If any of the submitted goals and objectives were not measurable, revisions will be required. Requests for revisions will be sent in a separate memorandum. If the Board approved less than the amount requested in the original application, review the goals and objectives to ensure that all can be obtained with the approved budget. Revised goals and objectives will be reviewed and approved by the Federal Programs Division. Return by **February 15, 2006.**
IRS Form W-9 Request for Taxpayer Identification Number and Certification	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **February 15, 2006.**

No federal funds will be disbursed to the subgrantee until the signed Award Document, the Special Conditions, the Authorization to Sign Project Documents, the Statement of Audit Arrangements, and the Initial Budget, and other documents as identified in the cover letter with the award are received and approved by the Director of Federal Programs. Subgrantees should review and understand all Special Conditions prior to the acceptance of the award.

SPECIAL CONDITIONS

Special Conditions include the terms and conditions of the award. The Special Conditions may include global requirements that apply to all subgrantees or only to the individual subgrantee, such as the revision of the project objectives to adhere to the requirement that objectives must be measurable. Failure to comply with the award's Special Conditions may result in a withholding of funds.

S.T.O.P. VIOLENCE AGAINST WOMEN GRANT PROGRAM
Special Conditions of the Award
FY 2005

Instructions:
*The Official Authorized **and** the Project Director must sign and date the document where indicated.*

1. *The subgrantee agrees that the Award Notice constitutes the operative document obligating and reserving the federal funds for use by the subgrantee. The obligation of the awarded funds is forfeited without further cause if the subgrantee fails to sign and return the Award Notice and all other documents as required by the Federal Programs Division within **45 calendar days** of the date on the Award.*

2. *The subgrantee agrees to comply with the financial and administrative requirements set forth in the most current edition of the S.T.O.P Violence Against Women Financial and Administrative Guide.*

3. *The Project Director and the Fiscal Officer of the subgrantee must attend a mandatory Financial Meeting, scheduled for December 2, 2005. Further information on these meetings will be provided to the subgrantee.*

4. *The subgrantee assures that the policies and practices of the service area comply with Oklahoma State Law and do not require, in connection with the prosecution of a misdemeanor or felony domestic violence offense, that the victim bear the costs associated with the filing of criminal charges against the domestic violence offender, or the costs associated with the issuance or service of a warrant, protection order, and/or witness subpoena.*

5. *The subgrantee agrees to cooperate with any assessment, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this project.*

6. *The Federal Programs Division will approve the goals and objectives section of all applications to ensure that the objectives are* ***measurable****. If requested, the subgrantee will be required to resubmit objectives that are measurable by* ***February 15, 2006****. The subgrantee will be notified via mail if revised goals and objectives are required.*

7. *Children's services supported with S·T·O·P Violence Against Women funds must be inextricably linked to providing services to victims of domestic violence. For example, S·T·O·P Violence Against Women funds may support the expansion of shelter services for battered women to include programs for their children. S·T·O·P Violence Against Women funds may not be used to support services that focus exclusively on children or to develop sexual assault or domestic violence prevention curricula for schools.*

8. *The subgrantee agrees to submit all fiscal and programmatic reports by the deadlines as set forth in the S.T.O.P. VAWA Grant Financial and Administrative Guide developed by the Federal Programs Division within the District Attorneys Council. If these deadlines are not met, the subgrantee understands that current funds may be delayed and future awards may be jeopardized.*

9. *Subgrantee must provide financial records and all documentation pertaining to and being paid by Federal dollars.*

10. *The subgrantee agrees that federal funds under this award will be used to supplement, but not supplant, state or local funds.*

11. *The subgrantee agrees to comply with the organizational audit requirements of OMB Circular, A-133, Audits of States, Local Governments and Non-Profit Institutions.*

12. *If any portion of the award is subcontracted or sub-awarded, the subgrantee agrees to ensure that the subcontractor or sub-awardee is aware that the special conditions set forth also apply to them.*

13. *The subgrantee assures that written policies have been established prohibiting the disclosure of a victim's name, address, telephone, or any other identifying information without the prior voluntary consent of the victim. Any subgrantee that does not already have such policies in place agrees to develop such policies within 60 days of the award notice in consultation with the domestic violence or sexual assault victim service programs in their community. The subgrantee must certify that the policies they have adopted comport with the confidentiality and privacy rights and obligations created by federal and/or state law, court rules, or rules of professional conduct applicable to the work performed by the subgrantee.*

14. *The subgrantee assures that S.T.O.P. VAWA monies are not being used for activities that may compromise victim safety, such as failing to respect the victim's autonomy and decision-making in order to advance offender accountability. Examples of activities that are prohibited are:*

    - *Using the coercive power of the court by serving the victim at the time the offender is arrested and requiring the victim to meet with the District Attorney for questioning;*
    - *Forcing the victim to testify;*
    - *Subpoenaing a victim and arresting them if they fail to appear; or,*
    - *Requiring a victim to meet with a victim advocate.*

15. *The subgrantee certifies that personnel funded* ***full time*** *under this grant program work solely within S.T.O.P. VAWA Grant Program and perform no other duties during the award period.*

16. *The subgrantee acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if subgrantee is required to submit one pursuant to 28 C.F.R. Section 42.302), that is approved by the Office for Civil Rights, is a violation of its Certified Assurance and may result in suspension or termination of funding, until such time as the subgrantee is in compliance.*

17. *The subgrantee agrees that all income generated as a direct result of this award shall be deemed program income. All program income must be accounted for and used for the purposes under the conditions applicable for the use of funds under this award, including the effective edition of the DAC Financial Guide and, as applicable, either (1) 28 C.F.R. part 66 or (2) C.F.R. part 70 and OMB Circular A-110. Further the use of program income must be shown on the A-8 - Quarterly Status Report for Project Income.*

18. *The subgrantee shall submit one copy of all reports and proposed publications, excluding press releases, newsletters, and issue analyses, resulting from this agreement twenty (20) days prior to public release. Any publications (written, visual, or sound), whether published at the grantee's or government's expense, shall contain the following statements:*

    "This project was supported by Grant No. 2005WFAX0056 awarded by the Violence Against Women Office, U.S. Department of Justice. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice."

19. *The subgrantee understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification, or adoption of any law, regulation or policy, at any level of government, without the express written approval of OJP.*

INITIATION AND OPERATION OF THE PROJECT

A project is required to be operational within 60 days of the start date of the award period. If there is a delay in the initiation of the project beyond the 60 days, the subgrantee must forward a letter to the Federal Programs Division on the steps that have been taken to initiate the project, the reasons for the delay, and the expected start date.

If the project is not operational within 90 days of the start date of the award period, the subgrantee must submit a second letter to the Federal Programs Division explaining the implementation delay. Upon receipt of the 90-day letter, or if notification is not sent at all regarding the delay in implementation, the award may be cancelled without further notice by the District Attorneys Council.

PERSONNEL REQUIREMENTS

The Project Director must be an employee of the applicant agency and is the direct contact person for program activities and is responsible for meeting the goals and objectives of the grant. The Project Director shares responsibility with the Fiscal Officer to ensure that all expenditures are within the approved budget.

The Fiscal Officer is the person who actually completes the reports related to financial activity of the grant. The Fiscal Officer is responsible for fiscal matters relating to the project, including the accounting, management of funds, verification of expenditures, and subgrantee financial reports.

The Project Director and Fiscal Officer may **not** be the same person.

The CEO is the person with official signature authority to make financial and programmatic commitments on behalf of the applicant agency. The Chief Executive Officer must be the head of the State Agency of the applicant agency.

If there is a personnel change in either the Project Director or the Fiscal Officer during the award period, the Federal Grants Division must be notified. This is accomplished by completing Form A-9 Change of Project Director/Fiscal Officer.

CHANGE IN THE SCOPE OF THE PROJECT

The subgrantee may only use S·T·O·P VAWA funds for the activities and purposes approved in the application and the budget. A change in the scope of the project occurs when programmatic activities or budget revisions would cause a deviation from the approved application. If this is the case, the subgrantee is required to submit a request to change the scope of the project to the Director of Federal Programs. The Director of Federal Programs is then required to obtain approval from the Board.

ASSIGNMENT OF SUBCONTRACT
A State agency or unit of local government may serve as the subgrantee and contract a portion of the services of the project with a governmental or nonprofit organization. However, a subgrantee must obtain written approval from the Director of Federal Programs prior to subcontracting for any services. A subgrantee may not assign the responsibility of the grant to another party.

DATA GATHERING
Each funded program will require pertinent data to be collected throughout the life of the grant from the agency or agencies carrying out the objectives of the grant.

PROGRAMMATIC REPORTING REQUIREMENTS
The following table identifies the programmatic reporting requirements and corresponding due dates (see the Appendix for sample copies of the reports).

FORM	DATE DUE
FORM V-1 ANNUAL PROGRESS REPORT	Due January 30, 2007 - 30 days after the award end date.
DAC EVALUATION REPORT	Due January 30, 2007 - 30 days after the award end date

COMPLIANCE WITH PROGRAMMATIC REPORTING REQUIREMENTS
Subgrantees must submit all programmatic reports by the deadlines as set by the Federal Grants Division within the DAC. The Program Monitor for the grant program will maintain a checklist and routinely review compliance of the subgrantee in submitting the programmatic reports. **If these deadlines are not met, subsequent monthly draws will be held until the reports are submitted.** Refer to the Payments to Subgrantees subsection in the Payment of Grant Funds Section.

Should the dates for any programmatic report change, the subgrantee will be notified in writing of the new due date.

CONFIDENTIALITY
No subgrantee, or any personnel involved in the project, shall use or reveal any information received from the project for any purpose other than the purpose for which such information was obtained.

PUBLICATION OF DOCUMENTS
When developing a publication with the use of S.T.O.P VAWA funds, federal guidelines require special steps. By federal definition, a publication is defined as “the initiation of

the procurement of writing, editing, preparation of related illustration material, including videos".

A subgrantee that publicizes any project activities with S.T.O.P. VAWA funds must adhere to the following:

1. All materials publicizing or resulting from award activities shall contain an acknowledgement of the awarding agency assistance. An acknowledgement of support shall be made through use of the following or comparable footnote:

   *This project was supported by Grant No. 2005WFAX0056 and awarded by the Office of Justice Programs, Violence Against Women Office, United States Department of Justice to the State of Oklahom*a.

2. Responsibility for the direction of the project activity should not be ascribed to the awarding agency. The publication shall include the following statement:

   The opinions, findings and conclusions or recommendations expressed in this publication/program/exhibition are those of the author(s) and do not necessarily reflect the views of the Department of Justice.

   The receipt of awarding agency funding does not constitute official recognition or endorsement of any project. A separate application for Official Recognition may be filed with the awarding agency.

3. A subgrantee is expected to publish or otherwise make widely available to the public, as requested by the awarding agency, the results of work conducted or produced under an award.

4. Further guidelines regarding royalties, license, copyright, official Logo's and distribution plans can be found in the current copy of the U.S. Department of Justice Financial Guide, March 2005 Issue. Please consult this guide or the administrative agency for further assistance on publications.

FISCAL RESPONSIBILITIES AND GUIDELINES

FISCAL RESPONSIBILITIES

The subgrantee must establish accounting system controls and procedures that assure that federal grant funds are properly utilized and accounted for. Awarded funds may be expended only for activities and purposes set forth in the approved application and budget and within the approved grant period. All funds must flow through the applicant agency.

Similar to the responsibilities of the DAC, the subgrantee must maintain the highest standards in order to preserve the public trust, which accompanies the authority to expend public funds.

ACCOUNTING SYSTEM CRITERIA

The subgrantee is free to use a manual, automated, or a combination manual and automated accounting system, if the system meets the following criteria:

1. The accounting system must identify the receipt and expenditure of grant funds separately for each grant from the receipt and expenditure of other funds in the account and should be classified by source, such as NCHIP, etc.

2. The accounting system must provide for the recording of grant expenditures for each grant in the approved budget categories of the grant, such as: Personnel, Personnel Benefits, Supplies and Operating Expenses, Confidential Funds, Travel, Equipment, Contractor/Consultants, and Facilities/Rental.

3. All entries in the accounting system should be supported by documentation, such as invoices and purchase orders, which support the entry and which can be readily located. The supporting documentation should reflect the appropriate project (subgrant) number.

4. Time records must be maintained for each employee that is paid with federal funds so that the number of weekly hours spent implementing the grant can be specifically attributed to the grant.

5. The accounting system should be integrated with an adequate system of internal controls to safeguard the funds and assets covered, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies.

6. The accounting system must include budgetary controls to avoid spending funds in excess of the total funds available for a grant.

7. The accounting system must include budgetary controls to avoid spending funds in excess of the total funds available for a budget line item.

8. Internal controls should be in place for approval of obligation and expenditure of funds. All requests for payments should contain not less than two different individuals' authorizations for payment in accordance with the organization's policies and procedures. No single individual can have complete control over receipt and expenditure of funds.

9. The accounting system should include a system of property records for all equipment (discussed in the Equipment section).

10. All project records shall be maintained until an audit has been completed and all questions arising there from are resolved and five (5) years from the date of the final financial report.

RECOMMENDED ACCOUNTING PROCEDURES

For many subgrantees, it may be sufficient to maintain journals showing cash receipts broken down by source, date, and amount and cash disbursements journals showing the date of expenditure, payee, check number, amount of check, and allocation of the disbursement to the proper category.

For large and more complex grant awards, a double entry set of books should be maintained. The accounting system should be as simple as possible and still provide the necessary information for reporting and management purposes.

It is suggested that invoice totals be circled or initialed to indicate that the amount to be paid has been verified. The financial officer should set up some control to ensure that duplicate payments are not made. Payments should not be made unless there is evidence that goods or services have been received.

RECORD MAINTENANCE

Record maintenance is an important part of the management of a grant. Subgrantees are encouraged to keep **all** fiscal and programmatic records organized in one accessible file. Some subgrantees choose to use a 3-ring binder, while others use a folder or expandable folder system. However the records are kept, it is important to create an organized system so that records can be easily located. The program monitors developed the following system which may be of assistance in establishing the grant files.

SECTION: Award Documents

TABS: Original Application
Award Notice
Special Conditions
A-1 Form - Authorization to Sign Project Documents

A-4 Form - Certificate of Equal Employment Opportunity Plan
A-12 Form - Statement of Audit Arrangements
A-12 Form - Disclosure of Lobbying Activities
A-2 Budget Revisions Budget Extension Requests
W-9 Form

SECTION: Financial Documents

TABS: Accounting Spreadsheet
A-3 Forms - Monthly Request for Funds
A-7 Forms - Quarterly Reports (Reporting of Subgrant Expenditures and Financial Status Form)
Copies of Checks
A-8 Form - Quarterly Status Report for Project Income Copies of Invoices
Purchase Orders and Receipts

SECTION: Correspondence & Close-out Documents

TABS: Letters and E-mails to and from DAC
Fax Confirmation Sheets for Documents Faxed to DAC
Statement of Equipment Purchases (A-5)
Equipment Inventory (A-6)
Progress Reports
Final Annual Report
Any other documents relating to the grant

Subgrantees are required to maintain all programmatic and financial records, supporting documents, statistical and other records and reports for a period of five years after the project has ended and until all audit findings have been resolved. When records are stored away from the subgrantee's principal office, a written index of the location of records stored should be on hand and ready access should be assured.

The DAC, the Office of Justice Programs, and the State Auditor have the right of access to subgrantee records pertaining to the grant award. This access extends to any books, documents, papers and other records of the subgrantee that are necessary for audits, examinations, excerpts and transcripts. The subgrantee has the same right of access to pertinent records of subcontractors for similar purposes.

MATCH REQUIREMENTS

Match is not required on the STOP VAWA Grants for the calendar year of 2006.

NON-SUPPLANTING OF FUNDS

The definition of supplanting means to deliberately reduce state and local funds because of the usage of federal funds. An example of supplanting is when state funds are appropriated for a stated purpose and federal funds are then awarded for the same purpose. The state replaces state funds with federal funds thereby reducing the total amount for the stated purpose.

COMMINGLING OF FUNDS

A physical segregation of funds is not required. However, the accounting systems of all subgrantees must ensure that funds are not commingled with funds from other Federal agencies. Each award must be accounted for separately, including any interest earned.

Funds specifically budgeted and/or received for one project may not be used to support another. Where a subgrantee's accounting system cannot comply with this requirement, the subgrantee shall establish a system to provide adequate fund accountability for each project that it has awarded.

PROJECT INCOME

Definitions for Project Income

The following definitions clarify project income and how it is accounted for through the grant award.

Project Income - is defined as **any gross income** earned as a direct result of grant supported activities or earned only as a result of the grant during the funding period. Project income is recorded as received by the subgrantee after it has been collected. Project income can be used for the same allowable costs as federal grant funds.

During the Grant Period - is defined as the time between the effective date of the award and the ending date of the award reflected in the award document.

A Direct Result - is defined as a specific act or set of activities that are directly attributable to grant funds and which are directly related to the goals and objectives of the project.

Examples of Project Income

Examples of project income as a *direct result* of grant funds includes:

- fees charged to participants in drug courts
- asset seizures and forfeitures
- income received from the sale of seized and forfeited assets (personal or real property)
- ordered restitution paid to the Drug Revolving Fund
- royalties
- a court-ordered award of attorney's fees or costs
- registration and/or tuition fees
- sale of property
- membership fees

Disposition

Project income may be used to supplement costs or reduce project costs, or may be refunded to the Federal government. Project income may be used by the subgrantee for any purpose that furthers the broad objectives of the legislation under which the award

was made. These objectives may include expanding the program, continuing the program, obtaining equipment or other assets needed for the program, or for other activities that further the statute's objectives. Project income may be used to supplement project costs or reduce project costs or may be refunded to the Federal government. Project income should be used as earned and expended as soon as possible.

Accounting for Project Income
Project income should be used as earned and expended as soon as possible. If the cost is allowable under the Federal grant program, then the cost would be allowable using program income. If there is no special condition on the award concerning the accounting for project income after the funding period, then project income can be used at the discretion of the subgrantee. The Federal portion of project income must be accounted for up to the same ratio of Federal participation as funded in the project or program. For example:

> *If a subgrantee was funded by formula/block funds at 75 percent Federal funds and 25 percent non-Federal funds and the total program income earned by the grant was $100,000, $75,000 must be accounted for and reported, by the subgrantee, as program income on the Form A-8 Quarterly Status Report for Project Income.*

Reporting of Project Income
Project income must be reported on the A-8 Quarterly Status Report for Project Income and submitted on a quarterly basis by the deadlines as indicated in the chart under Financial Reporting Requirements.

Compliance
Subgrantees are responsible for the implementation and compliance of project income guidelines. Technical assistance, when needed, can be provided by the DAC and/or the Office of the Comptroller.

FINANCIAL REPORTING REQUIREMENTS
Subgrantees must comply with the following financial reporting requirements. These requirements include program record keeping, programmatic reporting and financial reporting. The following is a list of the required reporting requirements (see the Appendix for samples of the reports):

FORM	DATE DUE
FORM A-7 QUARTERLY REPORTS	The subgrantee must prepare individual Quarterly Reports. The following are the due dates.
Quarter ending 3/31	Due April 15, 2006
Quarter ending 6/30	Due July 15, 2006

Quarter ending 9/30	Due October 15, 2006
Quarter ending 12/31	Due January 15, 2007
FINAL Quarter ending 3/31	Due April 15, 2007
FORM A-4 STATEMENT OF AUDIT ARRANGEMENTS	Due on February 15, 2006.– 45 days after the date of the award
FORM A-3 REQUEST FOR FUNDS FORM	Due the 15th of each month (See Request for Funds Section)
FORM A-5 STATEMENT OF EQUIPMENT PURCHASES	Due March 31, 2007 – 90 days after the end date of the award
FORM A-6 EQUIPMENT INVENTORY	Due March 31, 2007 – 90 days after the end date of the award
PERSONNEL VERIFICATION	Due July 30, 2006. The Program Monitor will mail the form in June, 2006.

COMPLIANCE WITH FISCAL REPORTING REQUIREMENTS
Subgrantees must submit all fiscal reports by the deadlines as set by the Federal Grants Division within the DAC. The Program Monitor for the grant program will maintain a checklist and routinely review compliance of the subgrantee in submitting the fiscal reports. **If these deadlines are not met, subsequent monthly draws will be held until the reports are submitted.**

Should the dates for any programmatic report change, the subgrantee will be notified in writing of the new due dates

STANDARD ASSURANCES
The authorized certifying official of the applicant agency is required to accept the Certification Regarding Lobbying, Debarment, Suspension, and Other Responsibility Matters; and Drug Free Workplace Requirements. The applicant agrees to comply with the following requirements:

Lobbying
The subgrantees, contractors, and subcontractors will not use any federal funds for lobbying. Any lobbying activities will be disclosed by completing the form,

Disclosure of Lobbying Activities. This form can be obtained by contacting the Federal Grants Division of the DAC.

Debarment
The subgrantees have not been debarred or suspended from federal benefits and/or no such proceedings have been initiated against them; have not been convicted of, indicted for, or criminally or civilly charged by a government entity for fraud, violation of antitrust statutes, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false Statements, or receiving stolen property; and have not had a public transaction terminated for cause or default.

Drug Free Workplace
Each subgrantee shall implement and post within the agency a Drug Free Workplace Policy.

EQUAL EMPLOYMENT OPPORTUNITY ASSURANCE OF COMPLIANCE CLAUSE
Compliance with the provisions of Omnibus Crime Control and Safe Streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act, Section 1407 of the Victims of Crime Act, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, and the Age Discrimination Act of 1975 is required. These statutes prohibit discrimination on the basis of race, color, national origin, religion, sex, age, or disability as it relates to funded programs or activities.

SEAT BELT USE
Recipients of federal funds shall encourage the adoption and enforcement of on-the-job seat belt policies and programs for its employees when operating company owned, rented, or personally owned vehicles.

ALLOWABLE and NON-ALLOWABLE COSTS

Allowable Costs
Allowable costs are those costs identified in the grant program's authorizing legislation. In addition, costs must be reasonable, allocable, necessary to the project, and comply with the grant's funding statute requirements. Allowable costs include:

- Personnel
- Personnel Benefits
- Equipment
- Travel
- Supplies and Operating Expenses
- Contractor and Consultants
- Facilities and Equipment Rental
- Other Allowable Costs

If non-allowable costs are incurred, these expenditures will be disallowed and funds will be required to be returned to the Office of Justice Programs. Refer to the section on unallowable costs related to the NCHIP Grant.

Expenditures Requiring Prior Approval
Some expenditure's require prior approval from the Director of Federal Programs. Refer to the specific allowable expense for more information. Expenditures requiring prior approval include:

1. Equipment and Other Capital Expenditures not specifically listed in the approved budget
2. Consultant Rates and Other Contractual Agreements
3. Criminal Justice Information and Communication Systems
4. Automatic Data Processing (ADP) Equipment and Software
5. Out-of-state travel

Procedures for Requesting Prior Approval
Requests must be in writing and justified with an explanation to permit review of the allowability. They may be submitted:

1. Through inclusion in the budget component of the subaward application; or
2. As a separate written request to the **DAC Director of Federal Grants**.

Non-Allowable Costs
The following expenditures are not allowed under the NCHIP Grant.

Land Acquisition
The funding legislation specifies that no Federal award involving renting, leasing, or construction of buildings or other physical facilities shall be used for land acquisition.

Compensation of Federal Employees
Salary payments, consulting fees, or other remuneration of full-time Federal employees are unallowable costs.

Travel of Federal Employees
Costs of transportation, lodging, subsistence, and related travel expenses of awarding agency employees are unallowable charges. Travel expenses of other Federal employees for advisory committees or other program or project duties or assistance are allowable if they have been:

1. Approved by the Federal employee's Department or Agency; and
2. Included as an identifiable item in the funds budgeted for the project or subsequently submitted for approval.

Bonuses or Commissions
The subgrantee is prohibited from paying any bonus or commission to any individual or organization for the purpose of obtaining approval of an application for award assistance. Bonuses to officers or board members of profit or non-profit organizations are determined to be a profit or fee and are unallowable.

Military-Type Equipment
Costs for such items as armored vehicles, explosive devices, and other items typically associated with the military arsenal, excluding automatic weapons, are unallowable. Exceptions MAY be made by the awarding agency upon a written request and justification from the subgrantee.

Lobbying
All subgrantees must comply with the provisions of the government-wide Common Rule on Restrictions on Lobbying, as appropriate. In addition, the lobbying cost prohibition applicable to all subgrantees of funding includes the following.

No funds may be used for purposes of:
1. Attempting to influence the outcome of any Federal, State, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity;
2. Establishing, administering, contributing to, or paying for the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcome of elections.

3. Attempting to influence: (a) the introduction of Federal or State legislation; or (b) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any government official or employee in connection with a decision to sign or veto enrolled legislation;
4. Publicity or propaganda purposes designed to support or defeat legislation pending before legislative bodies;
5. Paying, directly or indirectly, for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a member of Congress or of a State legislature, to favor or oppose, by vote or otherwise, any legislation or appropriation by either Congress or a State legislature, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation;
6. Engaging in legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried out in support of or in knowing preparation for an effort to engage in unallowable lobbying; or
7. Paying a publicity expert.
8. The Anti-Lobbying Act, 18 U.S.C. § 1913, was recently amended to expand significantly the restriction on use of appropriate funding for lobbying. This expansion also makes the anti-lobbying restrictions enforceable via large civil penalties, with civil fines between $10,000 and $100,000 per each individual occurrence of lobbying activity. These restrictions are in addition to the anti-lobbying and lobbying disclosure restrictions imposed by 31 U.S.C. § 1352. No federally appropriated funding made available may be used, either directly or indirectly, to support the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government, without the express approval of OJP.

Exemptions to Lobbying

Activities that are exempt from the above coverage include:

1. Providing a technical and factual presentation of information on a topic directly related to the performance of an award, through hearing testimony, statements, or letters to the Congress or a state legislature, or subdivision, member, or cognizant staff member thereof, in response to a documented request (including a *Congressional Record* notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the subgrantee member, legislative body, or subdivision, or a cognizant staff member thereof, provided such information is readily obtainable and may be readily put in deliverable form, and further provided that costs under this section for travel, lodging, or meals are unallowable unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearing.

2. Any lobbying made unallowable by the above paragraph 3 to influence State legislation in order to directly reduce the cost or to avoid material impairment of the organization's authority to perform under the award.
3. Any activity specifically authorized by statute to be undertaken with funds from an award.
4. Providing testimony to introduce and support general statutory reform, such as criminal or juvenile code revisions before State legislative bodies.
5. Providing testimony before the State legislature on legislative issues or pending legislation.

Fund Raising
Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions, may not be charged either as direct or indirect costs against the award. Neither the salary of persons engaged in such activities nor indirect costs associated with those salaries may be charged to the award, except insofar as such persons perform other funding-related activities.

An organization may accept donations (i.e., goods, space, services) as long as the value of the donations is not charged as a direct or indirect cost to the award. A subgrantee may also expend funds, in accordance with approved award terms, to seek future funding sources to "institutionalize" the project, but not for the purpose of raising funds to finance related or complementary project activities. Nothing in this section should be read to prohibit a subgrantee from engaging in fund raising activities as long as such activities are not financed by Federal or non-Federal award funds.

Corporate Formation
The cost for corporate formation may not be charged either as direct or indirect costs against the award.

State and Local Sales Taxes
These are unallowable when the government assesses taxes upon itself or, disproportionately, to Federal programs. An example of an unallowable tax would be if the government levied taxes as a result of Federal funding. An example of an allowable tax would be user taxes, such as gasoline tax. These provisions became effective as of the government's fiscal year beginning on or after January 1, 1998.

Other Unallowable Costs
Other unallowable costs include:

- Entertainment;
- Sporting events;
- Visa fees;
- Passport charges;
- Tips;
- Bar charges/Alcoholic beverages; and

- Laundry charges.
- Lodging costs in excess of Federal per diem. For events of 30 or more participants that are funded with an OJP award, if lodging costs exceed the Federal per diem, none of the lodging costs are allowable, effective January 1, 2001.
- Membership fees to organizations whose primary activity is lobbying is unallowable;
- Interest Expense;
- Costs for the preparation of proposals and,
- Foreign Travel.

Costs Incurred Outside the Project Period
Any costs that are incurred either before the start of the project period or after the expiration of the project period are not allowable.

Unapproved Requests of Equipment Purchases
All equipment that is to be purchased must be identified in the approved budget. The subgrantee must obtain prior approval from the Director of Federal Programs for any additional equipment that the subgrantee desires to purchase. If this approval is not obtained, the unapproved equipment will be designated as unallowable.

Repayment of Unallowable Costs
If unallowable expenditures are incurred, the expenditures will be disallowed and funds must be returned to the Office of Justice Programs.

PERSONNEL COSTS

If personnel costs are an approved component of the project, only actual salaries/wages and actual fringe benefits paid to the program personnel may be claimed. Personnel and benefits expenses are only for employees working for the applicant agency. Costs for personnel who not employed by the applicant agency must be listed under Contractor/Consultants.

Accurate time and effort records are required to be maintained for all personnel whose salary is charged to the project. The time and attendance records should contain the following information and should be maintained by the agency:

1. Date (day, month, and year)
2. Employee's name
3. Position title
4. Total daily hours charged to the project
5. Employee's signature

6. Project director or supervisor's signature
7. Project (subgrant) number

It is strongly recommended that the subgrantee have written personnel policies and procedures pertaining to:

1. Work hours
2. Holidays, vacations, sick leave
3. Overtime pay and compensatory time - payment of these premiums will be for work performed by employees in excess of the established work week (usually 40 hours).
4. Termination
5. Qualifications
6. Written job descriptions

Project officials must ensure that employees working on the project are not receiving dual compensation, i.e., being paid with the grant funds while receiving salary from another source. **Only actual time spent working on the project may be charged to the project.**

If existing personnel assume a position paid with grant funds, additional personnel must be hired to fill the positions vacated as a result of the transfer.

EQUIPMENT

Equipment Definition
Equipment is tangible non-expendable personal property having a useful life of more than one year and/or an acquisition cost of $500 or more per unit. A subgrantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

Purchase of Equipment
The purchase of equipment, including repairs which materially increase their useful life, are an allowable expenditure of funds in an approved budget. Subgrantees are required to be prudent in the acquisition and management of property purchased with Federal funds. Equipment purchased with federal funds must be used for the criminal justice purposes as Stated in the application.

Expenditure of funds for the acquisition of new property, when suitable property required for the successful execution of a project is already available within the subgrantee’s organization, will be considered an unnecessary expenditure. Equipment

purchased using Federal funds shall be year 2000 compliant and shall be able to process all time/date data after December 31, 1999.

Prior Approval of Equipment Purchases
All equipment purchases require prior approval by the Director of Federal Programs, unless the item was specifically listed in the approved application. In considering proposals for equipment purchases, the following principles should be adhered to:

(1) No other equipment owned by the subgrantee is suitable for the effort.
(2) No requests for purchase of vehicles will be approved.
(3) Federal funds are not used to provide reimbursement for the purchase of equipment already owned by the subgrantee.
(4) Equipment purchased and used commonly for two or more programs has been appropriately prorated to each activity.

Deviations from Approved Equipment Purchases in Budget
If a subgrantee wants to purchase different equipment from the equipment that was approved in the budget, the Project Director must request permission from the Director of Federal Programs. Approval must be obtained prior to the purchase or this will be considered a non-allowable expense.

Maintenance of Records
Subgrantees must maintain an effective system for property management. Subgrantees are hereby informed that if DAC or the Department of Justice is made aware that the subgrantee does not employ an adequate property management system, project costs associated with the acquisition of the property may be disallowed.

Invoices must be maintained. When paid, invoices should be marked and include the date, check number and contract number.

Records for equipment shall be retained for a period of five years from the date of the disposition or replacement or transfer at the discretion of Department of Justice. If any litigation, claim, or audit is started before the expiration of the five-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

Equipment Inventory
Equipment inventory records should be maintained and contain, at a minimum, the information required to complete the A-6 Equipment Inventory Form, found in the Appendix. The deadline to turn in this form may be found in the Fiscal Responsibilities and Guidelines section on Financial Reports. The following information must be maintained:

1. Item Description
2. Property Inventory Number and Serial Number
3. Date of Purchase

4. Identification of New or Used Equipment
5. Voucher number
6. Cost
7. Location of the Equipment
8. Present Use
9. Condition
10. Disposition
11. Subgrant Project Number

Loss, Damage, or Theft of Equipment
Subgrantees are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage, or theft of the property must be investigated and fully documented and made part of the official project records.

Ownership of Equipment
The purchased equipment becomes the property of the agency or non-profit organization when the subgrantee provides certification to the DAC that the property will be used for the stated purpose. Certification is accomplished by completing the Statement of Equipment Purchases - Form A-5. A copy of this form is located in the Appendix. If such certification is not submitted, the property becomes that of the DAC. The DAC shall seek to have the equipment used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.

Disposal of Equipment
If the subgrantee plans to dispose of equipment purchased with federal funds, either through disposal, replacement through trade-in or sale and then subsequently purchase new property, please contact the Federal Grants Division for approval and instructions.

TRAVEL AND PER DIEM

General Travel and Per Diem Information
Travel is an allowable expenditure of funds in an approved budget. This may include inter-jurisdictional travel, out-of-State travel, per diem, lodging, and registration. Some approved budgets may include the implementation of conferences and or workshops. All approved travel for an award must be in compliance with the Oklahoma Travel Reimbursement Act. **All out-of-State travel must be clearly defined and receive prior approval from the Director of Federal Programs before the expenditure of the funds.**

Documentation of Travel
All travel expenditures should be substantiated through a travel claim or voucher that contains the following information:

1. Name of employee
2. Travel to and from
3. Private car mileage
4. Date and time of departure and return
5. Signature of employee
6. Approval of project director or supervisor
7. Subgrant number

In-State travel and out-of-State travel expenditures must be properly documented. The following information should be attached to the travel voucher:

1. A paid receipt, showing a zero balance, from a hotel/motel with the name, city, and State, number of people in the room is required to be maintained in the fiscal files. If the room is shared, this should show on the invoice and the amount charged should be the rate for one individual.
2. Paid car rental bill and justification for renting rather than using public transportation
3. Airfare or other commercial transportation ticket
4. Justification if first class accommodations are paid

Mileage Reimbursement Rate
The maximum allowable rate for mileage reimbursement for travel using a personal vehicle is $.48.5 per mile.

For purposes of computing mileage eligible for reimbursement, the person's office is the starting point, except when the person is leaving from their residence and where the residence is closer to their destination than their office. If leaving from their residence and their residence is closer to their destination than is the home office, the employee's residence shall be considered the starting point.

Standards for Overnight Travel
Per diem and lodging rates for travel both within the State of Oklahoma and outside the State of Oklahoma are based upon the amounts authorized by the provisions of the Internal Revenue Code of 1986, as amended.

The federal standard rates are:

- Meals and incidentals (per diem) is $31.00 per day or $7.75 per quarter, and
- A maximum lodge rate (actual, not to exceed) of $60.00 per day.

However, reimbursement rates for travel will vary depending on the location of travel as identified in the Government Services Administration (GSA) continental United States (CONUS) rates, for domestic locations. A complete listing of the CONUS locations and rates can be obtained from the GSA per diem web site: **www.gsa.gov**. Then select E-

Tools: Online Services, Per Diem Rates. Oklahoma has three rates for travel within the State:

• Oklahoma City	Per Diem Rate:	$49.00 ($12.25 per quarter)
	Lodging Rate:	$67.00 per night (maximum)
• Tulsa	Per Diem Rate:	$44.00 ($11.00 per quarter)
	Lodging Rate:	$66.00 per night (maximum)
• All Other Locations	Per Diem Rate:	$39.00 ($9.75 per quarter)
	Lodging Rate:	$60.00 per night (maximum)

Travel and per diem rates will follow GSA's definition of "per diem localities with county definitions". Per diem localities with county definitions shall include "all locations within, or entirely surrounded by, the corporate limits of the key city as well as the boundaries listed of the listed counties including independent entities located within the boundaries of the key city and listed counties (unless listed separately)".

For example, if an employee is in overnight travel status and obtains lodging in Edmond, Oklahoma, reimbursement rates for Oklahoma City locality ($43/$66) will apply, rather than the standard rates of $31/$60, as Edmond is within the same county as the "Oklahoma City locality".

Lodging
For those employees attending meetings that have been approved for travel, which are conducted at a designated public lodging place where lodging has been arranged by the blocking of rooms or rate reductions for the participants by the sponsoring agency as evidenced in the notice of the meeting, will be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged. Designated hotel information from a conference brochure or a letter from the sponsoring organization is acceptable documentation.

Per Diem Rates for Overnight Travel
An employee, who is in office travel status, may claim the following per diem rates, not to exceed the amount allowable under the State of Oklahoma Travel Reimbursement Act. Travel status is defined as an absence from the office or place of employment, home area, and/or official station area, while performing assigned official duties. Reimbursement for per diem for out-of-State travel shall not begin more than 24 hours before or continue more than 24 hours after the objective of the trip, such as a meeting, workshop, conference, etc. ends. In computing per diem, a day shall be a period of 24 hours. No per diem is allowed for periods less than overnight status.

Hours	In-State	In-State*	Oklahoma County	Out of State
Less than 18 hours	See Note**	See Note**	See Note**	See Note**
18-21	29.25	33.00	36.75	**
21-27	39.00	44.00	49.00	**
27-33	48.75	55.00	61.25	**
33-39	58.50	66.00	73.50	**

***Lodging without receipt (staying with friends, family, etc.) When claiming the higher per diem rate instead of lodging, the following notation must appear on the claim: "Claiming per diem in lieu of subsistence."**

****Only if overnight travel status with lodging occurred as required for official business.**

When meals are provided and included as a part of the registration fee, the travel claim should be treated as follows:

1. One-fourth (1/4) of one day's per diem shall be deducted from the reimbursement limit for each meal provided and included in the registration fee. (Continental breakfasts and refreshments such as coffee, tea, and soft drinks provided during meeting breaks are not considered meals for the purpose of this procedure.

2. Exceptions may apply where special circumstances prevented the traveler from participating in the function at which the meal was provided. For auditing purposes, a signed Statement by the traveler of his/her non-participation in the meal function must be included with the claim form.

3. If an outside entity provides lunch for conference participants and it is not connected with the conference, the employee does not have to deduct for the meal.

Per Diem Allowance in Lieu of Subsistence
When an employee who is in travel status chooses to stay with friends or relatives and lodging reimbursement is not being claimed, the traveler may claim an additional $10.00 "subsistence" payment above the per diem reimbursement rate.

Transportation – In-State Travel
In-State travel in privately owned vehicles may be reimbursed at a rate not to exceed .48.5 cents per mile, based on the distance set forth in the latest Transportation Commission Road Map. All State, county, city vehicles may be reimbursed for actual expenses only. Travel by railroad, bus, or other such public conveyance will be reimbursed at a rate not to exceed the normal charge of such conveyance, and in no instance shall the rate exceed coach airplane fare.

Reimbursement for necessary parking and turnpike fees incurred in the use of a privately owned automobile for official project business must be itemized.

Transportation – Out-of-State Travel
Prior approval for travel out-of-state must be obtained from the Director of Federal Programs, unless it was specifically listed in the approved budget. Subgrantees may follow their own established travel rates. However, if the subgrantee does not have a written policy, the subgrantee must abide by the Federal travel policy.

The subgrantee should refer to the website, www.gsa.gov for specific information for the maximum rates lodging and per diem rates. Once at the website select E-Tools: Online Services, then Per Diem Rates to obtain the correct information

Regardless of the mode of travel (including privately owned vehicle) reimbursement for out-of-State transportation costs shall not exceed that of coach airplane fare.

The actual cost of leasing or renting an automobile outside of this State to be used on official business for the State shall be reimbursed subject to the approval of the agency head or authorized designee.

Conferences and Workshops
Allowable costs for conferences and workshops provided by the subgrantee may include:

- Conference or meeting arrangements;
- Publicity;
- Registration;
- Salaries of personnel;
- Rental of staff offices;
- Conference space;
- Recording or translation services;
- Postage;
- Telephone charges;
- Travel expenses (this includes transportation and subsistence for speakers or participants); and
- Lodging.

Effective January 1, 2001, all federally funded projects for events that include 30 or more participants (both Federal and non-Federal) lodging costs for any number of attendees requiring lodging must not exceed the Federal per diem rate for lodging. In the event the lodging rate is not the Federal per diem rate or less, none of the lodging costs associated with the event would be allowable costs to the award. As a result, the recipient would be required to pay for all lodging costs for the event, not just the amount in excess of the Federal per diem. For example, if the Federal per diem for lodging is $78 per night, and the event lodging rate is $100 per night, the recipient must pay the full $100 per night with non-grant funds, not just the difference of $22 per night.

Food and Beverages
Food or beverages are considered in the context of formal meals and in the context of refreshments served at short, intermittent breaks during an activity. Beverages do not

include alcoholic drinks. Food and/or beverage expenses provided by recipients are allowable subject to conditions stated below:

- Food and/or beverages are provided to participants at training sessions, meetings, or conferences that are allowable activities under the particular OJP program guidelines.
- Expenses incurred for food and/or beverages and provided at training sessions, meetings, or conferences must satisfy the following three tests:
- Test 1: The cost of the food and/or beverages provided is considered to be reasonable.

  Test 2: The food and/or beverages provided are subject of a work-related event.

  Test 3: The food and/or beverages provided are not related directly to amusement and/or social events. (Any event where alcohol is being served is considered a social event; and, therefore, costs associated with that event are not allowable).

Subgrantees that desire to purchase food and/or beverages under the project must follow the food and beverage policy guidelines. Guidance should be applied within the context of each individual situation. While food and/or beverages are allowable, recipients are not required to provide them at training sessions, meetings, or conferences.

NOTE: The presence of Federal employees does not prevent the recipient from providing food and beverages under its three tests.

To determine whether costs associated with food and/or beverages are allowable, the recipient or sub-recipient providing the food and/or beverages must consider:

1. To whom the food and/or beverages will be provided;
2. Under what conditions the food and/or beverages will be provided; and
3. That the appropriate three tests have been satisfied.

For example:

Example A. A subgrantee-sponsored event is held at a hotel to discuss policy topics. The event includes a working lunch with a speaker and breaks at which food and beverages are offered. Federal agency employees, as well as employees of the recipient and non-agency persons, are invited.

This scenario meets all components of the three tests; therefore, food and beverages may be provided with grant funds.

Example B. A recipient offers a "hospitality suite" the night before its conference at a hotel. Federal agency employees, as well as employees of the recipient and non-agency persons, are invited.

This scenario fails the three tests because food and beverages must not be directly related to amusement or social events. Although the conference is work-related, the hospitality suite is purely a "social event." Therefore, food and beverages **may not** be provided with grant funds.

NOTE: Food and beverage costs for events within events may be unallowable. For example:

Unallowable--Event A includes 200 participants. Food and beverages are requested for event B, which directly **relates** to event A, but includes only a small percentage of the 200 participants from event A. Thus, food and beverage costs at event B are unallowable since attendance at the event is not mandatory for all participants from events A and B.

Allowable--If the purpose of event B is to discuss or work on topics **unrelated** to event A, food and beverage costs may be allowable for event B.

Federal funds are governed by the "cost principles" of the Office of Management and Budget (OMB). Cost principles are the Federal rules that determine the extent of reimbursement of grant expenses. Generally, allowable costs include costs that are reasonable and necessary for the successful completion of the project. **Unallowable costs include, but are not limited to, costs directly related to entertainment or to the purchase of alcohol.**

NOTE: Anyone under per diem allowances or reimbursements who attends any of these events at which food and beverages are provided must deduct the allowance for any meals (i.e. lunch, dinner) provided from his/her per diem allowance.

The top ten tips for provisions of food and beverages under the Office of Justice Programs grants are as follows:

1. Provide a speaker at a lunch or dinner.
2. Support the event with a formal agenda.
3. The event must be mandatory for all participants.
4. Do not pay for bar charges using registration fees (i.e. program income).
5. Do not make alcohol available at the event.
6. Provide appropriate break foods. (Refer to the Glossary for definition of break foods).
7. Surrounding events must provide several hours of substantive information.

8. Do not end events with a meal and/or break.
9. Costs must be reasonable.
10. As a participant, reduce per diem appropriately.

NOTE: Exhibits are not deemed substantive information.

SUPPLIES AND OPERATING EXPENSES

Supplies and Operating Expenses
Supplies and operating expenses are an allowable expenditure of funds in an approved budget. Supplies are materials, expendable or non-expendable that are needed in the operation of the project. Non-expendable supplies must have a cost of less than $500 per unit and are not immediately consumed when placed in use. The following are examples of expendable and non-expendable supplies:

Examples of expendable supplies:

- Office supplies, such as paper, pens, pencils, file folders, data processing supplies, etc.

Examples of non-expendable supplies:

- Letter trays, wastebaskets, staplers, or inexpensive office equipment or furniture type items costing less than the above limit.

Operating expenses are costs necessary to maintain the project. Operating expenses may include:

- Postage
- Printing
- Telephone Costs
- Rental Expenses
- Pager or Mobile Phone Rental

Ownership of Supplies
The purchased supplies become the property of the agency or non-profit organization upon acquisition. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the funding support and the supplies are not needed for any other Federally-sponsored programs or projects, the subgrantee shall compensate the awarding agency for the share. The amount of compensation shall be computed in the same manner as for non-expendable personal property or equipment.

CONTRACTORS AND CONSULTANTS

Contractors and Consultant Expenses
Compensation for contractors and/or consultants is an allowable expenditure of funds in an approved budget. **Specific guidelines for the payment for consultants in the following categories exist:**

- Consultants Associated with Educational Institutions
- Consultants Employed by State and Local Government
- Consultants Employed by Commercial Not-For-Profit Organizations
- Independent Consultants

Contractors and Consultant Rates
Compensation for individual consultant services is to be reasonable and consistent with that paid for similar services in the market place. Consideration will be given to compensation including fringe benefits for those individuals whose employers do not provide the same. In addition, when the rate exceeds $450 (excluding travel and subsistence costs) for an eight-hour day, prior approval is required from the Director of Federal Programs.

Requests for approval of a consultant require additional justification. An eight-hour day may include preparation, evaluation, and travel time in addition to the time required for actual performance. Please note, however, that this does not mean that the rate can or should be $450 for all consultants. Rates should be developed and reviewed on a case-by-case basis and must be reasonable and allowable in accordance with OMB cost principles. Approval of consultant rates in excess of $450 a day that is part of the original application with appropriate justification and supporting data will be approved on a case-by-case basis. The following is the policy in regard to compensation of various classifications of consultants who perform like-type services. If consultants are hired through a competitive bidding process but not sole source, the $450 threshold does not apply:

a. *Consultants Associated with Educational Institutions***.** The maximum rate of compensation that will be allowed is the consultant's academic salary projected for 12 months, divided by 260. These individuals normally receive fringe benefits which include sick leave for a full 12-month period even though they normally only work nine months per year in their academic positions.

b. *Consultants Employed by State and Local Government***.** Compensation for these consultants will only be allowed when the unit of government will not provide these services without cost. If a State or local government employee is providing services under a Federal grant and is representing their agency without pay from

their respective unit of government, the rate of compensation is not to exceed the daily salary rate for the employee paid by the unit of government. If the State or local government employee is providing services under a Federal grant and is not representing their agency, the rate of compensation is based on the necessary and reasonable cost principles.

c. *Consultants Employed by Commercial and Not-For-Profit Organizations.* These organizations are subject to competitive bidding procedures. Thus, they are not subject to the $450 per day maximum compensation threshold before requesting prior approval. In those cases where an individual has authority to consult without employer involvement, the rate of compensation should not exceed the individual's daily salary rate paid by his/her employer, subject to the $450 limitation.

Independent Consultants. The rate of compensation for these individuals must be reasonable and consistent with that paid for similar services in the marketplace. Compensation may include fringe benefits.

The customary fixed fee or profit allowance for Professional Services in cost-type contracts may not exceed 10% of the total estimated costs.

NOTE: Current and former State employees may not be compensated for contractual services with a State agency until one year after the termination of State employment

Record Maintenance
Adequate records for the expenditures of professional, or contractual services should be maintained to ensure that the contractor has in fact performed the services. Records should contain the following information:

1. Signed Agreement or Contract
2. Dates the contractor provided the services
3. Number of hours the contractor worked
4. Services performed

FACILITIES AND EQUIPMENT RENTAL

The cost for the rental of facilities and/or equipment is an allowable expenditure of funds in an approved budget.

Space
The cost of space in privately or publicly owned buildings used for the benefit of the program is allowable subject to the conditions below:

- The total cost of space may not exceed the rental cost of comparable space and facilities in a privately owned building in the same locality.

- The cost of space procured for program usage may not be charged to the program for periods of non-occupancy, without authorization of the awarding agency.

Rental Cost
The rental cost of space in a privately-owned building is an allowable expenditure. Rent cannot be paid if the building is owned by the subgrantee or if the subgrantee has a substantial financial interest in the property. Similar costs for a publicly-owned building are allowable where "rental rate" systems, or equivalent systems that adequately reflect actual costs, are employed.

Such charges must be determined on the basis of actual cost (including depreciation based on the useful life of the building, operation and maintenance, and other allowable costs). Where these costs are included in rental charges, they may not be charged elsewhere. No costs will be included for purchases or construction that was originally financed by the Federal government.

The amount of rent charged to the grant program must be related and proportional to the personnel funded through the grant program. The rental cost of space in a privately owned building is allowable. Rent cannot be paid if the building is owned by the subgrantee or if the subgrantee has a financial interest in the property. However, the costs of ownership are an allowable expense.

PERSONNEL CHANGES

Personnel Changes
If during the course of the award period, there is a change in the Project Director or Fiscal Officer, two forms must be completed. The first form is the A-9 Form - Change of Project Director or Fiscal Officer and the second is the A-1 Form, Authorization to Sign Project Documents. These forms should be completed immediately and forwarded to the Federal Grants Division. The documents can be found in the Appendix.

BUDGET REVISION REQUESTS

Prior to requesting a budget revision, the subgrantee is encouraged to review the section on Non-Supplanting of Funds in this manual to determine whether the request for a budget revision is supplanting. If there is any question, consultation can be obtained by contacting the Federal Grants Division.

If the subgrantee determines that a budget revision is needed, the following information should be used as a guide in determining whether a request must be made *in writing* using the Form A-2 Budget Revision and Grant Extension Request Form. If an A-2 Form is required, the form must contain a written explanation regarding the reason for the budget revision and why money needs to be shifted (increased or decreased) among budget categories.

If the amount being revised is **less than 10%** of the total project award amount and within **approved** budget categories, there is no need to complete an A-2 Budget Revision Form. For example, if a subgrantee's approved budget already has operating expenses as an approved budget category and wants to decrease travel expenses by 8% and increase operating expenses by 8%, an A-2 Budget Revision Form would NOT be necessary. **In this instance, do not change the approved budget!** Continue to use the same budget and record expenses in the appropriate categories. Assuming that more money than granted is **not** spent and the amount of deficit or surplus is **less than 10%** of the total project amount, the subgrantee will be in compliance with federal regulations.

However, if a subgrantee's approved budget does NOT include any funds in the operating expenses category and the subgrantee wants to change money into this initially unapproved category, an A-2 Budget Revision IS required to be submitted.

<u>ALL</u> EQUIPMENT PURCHASES NOT SPECIFICALLY LISTED IN THE APPROVED BUDGET REQUIRE PRIOR APPROVAL BY THE DIRECTOR OF FEDERAL PROGRAMS.

A Budget Revision that **changes the scope of the project** requires additional steps. If the scope of the project changes, refer to the section in the Financial and Administrative Guide on Change in the Scope of the Project and follow those procedures.

If there is a question, whether the subgrantee needs to submit a Form A-2 Budget Revision Form and Grant Extension Request, consultation can be obtained by contacting the Federal Grants Division.

Revisions are NOT effective until the Director of Federal Programs has signed this form. Subgrantees cannot act upon the request until it has been approved. If a request for a budget revision is approved, a copy of the approved form will be faxed or mailed to the subgrantee. If a request for a budget revision is denied, the Program Monitor or the Director of Federal Programs will contact the subgrantee to discuss the matter. **Requests for budget revisions will not be approved after December 1st**. Budgets should be reviewed quarterly to determine maximum usage.

NOTE: It is NOT necessary to submit a final budget revision to make the actual expenditures match the budget if the total amount needing revision is less than 10% of the total amount.

EXTENSION REQUESTS

Extension Requests

If a project cannot be completed within the 12-month award period, a request for a grant period extension must be made in writing using Form A-2 Budget Revision and Grant Extension Request Form. An explanation for the need for the grant extension is required.

Request for extensions are NOT effective until the Director of Federal Programs has signed this form. Subgrantees cannot act upon the request until it has been approved. If a request for a grant extension is approved, a copy of the approved form will be faxed or mailed to the subgrantee within 15 workdays of receipt of the request. If a request for a grant extension is denied, the Program Monitor or the Director of Federal Programs will contact the subgrantee to discuss the matter. **Requests for grant extensions will not be approved after December 1st**.

Only one Request for a Grant Extension per award will be permitted. An approved Grant Extension Request may not exceed 12 months. Retroactive extensions will NOT be considered. If such a grant extension request is not submitted prior to the end date of the project, unspent funds will be forfeited and returned to DAC. Without appropriate notice and approval, the original award stands.

PROCUREMENT OF GOODS OR SERVICES

Adequate Competition
All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition.

The subgrantee shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade.

State Agencies and Local Governmental Agencies
State agencies and local governmental agencies, such as police and sheriff's departments, shall follow the same policies and procedures they use for procurement from any non-federal funds. The State shall ensure that every purchase order or other contract includes any clauses required by federal statute and executive orders and their implementing regulations. State agencies and local governmental agencies should follow State Purchasing Procedures when procuring goods and services.

For purchases under $2500, the subgrantee may follow their own procurement procedures and regulations, provided that the procurement conforms to applicable State law or regulation.

If the item to be purchased costs between $2500 and $10,000, price quotes and delivery dates must be recorded from 3 vendors. The chosen vendor must complete a non-collusion affidavit.

If the amount is $10,000 to $25,000, an invitation to bid must be completed and all vendors must complete a non-collusion affidavit with their bid. For further details on how to prepare an Invitation for Bid or a Request for Proposal, please contact this office. Usually, an Invitation for Bid would be used for equipment purchases.

Sole source procurements in excess of $100,000 must receive prior approval from the DAC and federal awarding agency.

Non-Profit Organizations
Non-profit organizations should follow OMB Circular A-110 when procuring goods and services.

Federal Surplus Property Program
Subgrantees may be eligible to participate in the Federal Surplus Property Program. This program provides for purchase of property for federal grant projects at 25% of the

original acquisition cost. If you would like information, contact the Director of Federal Programs at DAC.

REQUEST FOR FUNDS

The subgrantee must use the A-3 Request for Funds Form to request grant funds. Funds may only be requested on a monthly basis. The request is an estimate of needs, not just a figure derived by dividing the award amount by 12.

The A-3 Request for Funds Form must be completed in full, signed, and received by DAC on the 15th of each month. If the A-3 Request for Funds Form is not received by the 15th of the month, the request will be processed the following month. **No exceptions will be granted regarding this deadline**. Forms may be faxed to DAC at 405-264-5095.

If the 15th of the month falls on a Saturday, then the form should be received in the DAC office on the Friday before. If the 15th of the month falls on a Sunday, the form should be received the following Monday.

Warrants will be mailed from DAC within fifteen (15) days following the 15th of the month.

The A-3 Request for Funds Form must be submitted even if the request is zero. Failure to do so may cause a delay in funding future requests and a possible grant cancellation.

PAYMENT OF GRANT FUNDS

Payments to Subgrantees
DAC receives Federal funds by utilizing the "Letter of Credit" procedures. This funding method is a cash management process prescribed by the U.S. Treasury for all major grant-in-aid recipients. Funds are made through a warrant system pursuant to rules and procedures available to subgrantees issued by DAC.

If a subgrantee who is receiving cash advances demonstrates an unwillingness or inability to establish procedures that minimize the time elapsing between cash advances and disbursement, DAC may terminate advance financing and require the subgrantee to finance its operations with its own working capital.

Payments to the subgrantee will then be made to reimburse the subgrantee for actual cash disbursements. **It is essential that the subgrantee maintains a minimal amount of cash on hand and drawdown of cash are made not more than 30 days prior to disbursement.**

Payments Withheld

Each Program Monitor will maintain a checklist for fiscal and programmatic reports for the program under their purview. When a fiscal or programmatic report is received, the Administrative Assistant in the Federal Grants Division will forward the document to the Program Monitor. The Program Monitor will review the document for accuracy and/or thoroughness, update the checklist, and then forward to the appropriate person for disposition.

If a subgrantee does not return the report by the deadline, the following procedures will be followed:

1. One week following the deadline of the report, the Program Monitor will phone all subgrantees that are delinquent to notify them of the past due report. The Program Monitor will allow the subgrantee one additional week to forward the report and notify them that the next month's draw will be held until a report is received. The phone call will be documented in the subgrantee's award file.

2. If the report is not received by the deadline, the Program Monitor will submit a Draw Hold Form to the Financial Analyst to withhold the next monthly draw of the subgrantee. The Program Monitor will forward a copy of the Draw Hold Form to the subgrantee.

3. Once the report is received, the Draw Hold Form will be withdrawn and the subgrantee may begin requesting the monthly draws.

OBLIGATION AND EXPENDITURE OF FUNDS

Any grant funds not properly obligated by a subgrantee prior to the end date of the grant award period will lapse and revert to the awarding agency. All obligations must be paid within 90 days after the end of the grant award period.

Obligated funds are those funds that have been legally committed under a grant for goods and services **within the grant period dates.** The only time unpaid obligations should be reported is on the last quarterly report for the grant period. The final report must reflect zero unpaid obligations as all funds must have been paid within 90 days of the grant period end date.

SUSPENSION OF FUNDING

A subgrant award may be terminated if a subgrantee fails to conform to the programmatic *or* fiscal requirements of the grant program as set forth in the Financial Guide of the Office of Justice Programs, the Administrative and Financial Guide for the STOP Violence Against Women Grant, and/or the special conditions of the award.

The subgrantee will be notified in writing of its failure to conform to the programmatic and/or fiscal requirements of the grant program and any corrective action that must be taken, along with a deadline for compliance. If the subgrantee fails to bring the project into compliance with the programmatic and/or fiscal requirements of the grant program within the timeframe reflected on the notice, the staff will place the subgrantee on Draw Hold, not allowing any further draw of subgrant funds. If a subgrantee continues to fail to take appropriate corrective action and bring the project into compliance with the programmatic and/or fiscal requirements of the grant program, the staff will notify the Violence Against Women Grant Board. The Board will, by written notice to the subgrantee, provide an opportunity for the subgrantee to appear before the Board to show cause why the grant should not be terminated. The Board, at the time set for the subgrantee to appear before the Board, may, after providing an opportunity for the subgrantee to address the Board, determine that the subgrantee is presently in compliance with the programmatic and/or fiscal requirements of the grant program and allow the grant to continue, give the subgrantee additional time to comply with programmatic or fiscal requirements, or terminate the grant award. If an award is terminated, the notice of termination shall be delivered by courier service, certified mail, or registered mail.

Whoever knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in an application for assistance submitted pursuant to the STOP Violence Against Women Grant Program, or in any records required to be maintained pursuant to this Act, shall be subject to prosecution. Whoever embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property which are the subject of a grant or contract pursuant to this Act, or whoever receives, conceals, or retains such funds, assets, or property with intent to convert such funds, assets, or property to his/her use or personal gain knowing that such funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud, shall be subject to prosecution.

GRANT CLOSE-OUT FINANCIAL REPORTING PROCEDURES

At the end of the grant period, the subgrantee should use these procedures to closeout the grant.

1. Expenses encumbered, but not paid prior to the end of the grant period date, should be identified as unpaid obligations on the last quarterly report. The encumbered expenses must be paid within 90 days of the end of the grant period. If the encumbered expenses are not paid within 90 days, the expenses will be disallowed.

2. The unpaid obligations that have been paid within the 90-day period should be shown as expenditures on the final quarterly report and included in the total project cost.

3. The federal share of funds drawn down and remaining at the end of 90-day period that were not obligated at the expiration date and/or were not expended within the 90 days must be returned to DAC.

4. The federal share of the remaining funds should be determined by taking the total allowable expenses times the percent of federal participation agreed to in the approved budget. This amount should then be subtracted from the amount advanced and the balance must be returned.

5. Make the check payable to the US Department of Justice. Do NOT send the check with a DAC Check Transmittal Form.

6. Indicate in the memo section of the check the “subgrant number” and “return of unexpended grant funds”.

7. Mail the check to the District Attorneys Council, Federal Grants Division, 421 N.W. 13th St., Suite 290, Oklahoma City, OK, 73103.

The following procedures should be followed in providing the programmatic reports to successfully close out the grant.

DOCUMENT	DEADLINE
FORM A-5 **Statement of Equipment Purchases**	Due **March 31, 2007** - 90 days after the end date of the award. This form must be submitted if equipment was purchased during award period.
FORM A-6 **Equipment Inventory**	Due **March 31, 2007** - 90 days after the end date of the award. This form must be submitted if equipment was purchased during award period.
FORM V-1 **Annual Progress Report**	Due **January 30, 2007** - 30 days after the award end date.
Evaluation Report for DAC	Due **January 30, 2007** - 30 days after the award end date.
Final Expenditure Report	The fourth quarterly expenditure report is due **January 15, 2007.** If this is not the final report, the final report is due **April 15, 2007.** It should be marked final and must reflect that all grant funds have been expended. This report may **not** reflect any unpaid obligations.

AUDIT REQUIREMENTS

Audit Objectives
Awards are subject to conditions of fiscal, program, and general administration to which the subgrantee expressly agrees. Accordingly, the audit objective is to review the subgrantee's administration of funds and required non-federal contributions for the purpose of determining whether the subgrantee has:

1. Established an accounting system integrated with adequate internal fiscal and management controls to provide full accountability for revenues, expenditures, assets, and liabilities. This system should provide reasonable assurance that the organization is managing the Federal financial assistance in compliance with applicable laws and regulations.

2. Prepared financial Statements, which are presented fairly, in accordance with generally accepted accounting principles.

3. Submitted financial reports (which may include Financial Status Reports, Cash Reports, and Claims for Advances and Reimbursements), which contain accurate

and reliable financial data, and are presented in accordance with the terms of applicable agreements.
4. Expended Federal funds in accordance with the terms, applicable agreements and those provisions of Federal law or regulations that could have a material effect on the financial Statements or on the awards tested.

All audits must be in compliance with OMB Circular A-133, Audits of State and Local Governments and Non-Profit Institutions. A copy of the A-133 audit report must be submitted to DAC.

Audit Threshold
Non-federal entities that expend $500,000 or more in federal funds (from all sources including pass-through subawards) in the organization's fiscal year (12-month turnaround reporting period) shall have a single organization-wide audit conducted in accordance with the provisions of OMB Circular A-133.

Non-federal entities that expend less than $500,000 a year in federal awards are exempt from federal audit requirements for that year. Records must be available for review or audit by appropriate officials including the federal agency, DAC, and General Accounting Office (GAO).

Due Dates for Audit Reports
Audits are due no later than nine months after the close of each fiscal year during the term of the award.

Mail a copy of the A-133 audit to DAC in addition to the requirements of OMB Circular A-133.

Audit Reporting Requirements
If the auditor becomes aware of illegal acts or other irregularities, the subgrantee must promptly notify DAC. The DAC shall, in turn, notify the cognizant Federal agency of the illegal acts or irregularities and of proposed and actual actions, if any. In addition, the DAC is responsible for informing the OJP's Office of the Comptroller, DOJ's Office of Professional Responsibility, the Office of the Inspector General, and State and local law enforcement agencies or prosecuting authorities, as appropriate, of any known violations of the law within their respective area of jurisdiction.

Audit Costs
Costs for audits not required or performed in accordance with OMB Circular A-133 are unallowable. If the subgrantee did not expend $500,000 or more in Federal funds during the fiscal year, but contracted with a certified public accountant to perform an audit, these costs may NOT be charged to the grant.

Resolution of the Audit Findings
Timely action on recommendations by responsible management officials is an integral part of the effectiveness of an audit. Each subgrantee shall have policies and

procedures for responding to audit recommendations by designating officials responsible for:

1. Following up;
2. Maintaining a record of the action taken on recommendations and time schedules for completing corrective action;
3. Implementing audit recommendations; and,
4. Submitting periodic reports to DAC on recommendations and actions taken.

Failure To Comply

Failure to have audits performed as required may result in the withholding of new awards and/or withholding of funds or change in the method of payment on active grants.

APPENDIX A

CHART OF FORMS USED BY VAWA GRANT PROGRAM

APPENDIX B

Form A-1
AUTHORIZATION TO SIGN PROJECT DOCUMENTS

APPENDIX C

Form A-2
BUDGET REVISION AND GRANT EXTENSION REQUEST FORM

APPENDIX D

Form A-3
STOP VAWA REQUEST FOR FUNDS

APPENDIX E

Form A-5
STATEMENT OF EQUIPMENT PURCHASES

APPENDIX F

Form A-6
EQUIPMENT INVENTORY FORM

APPENDIX G

Form A-7
QUARTERLY FINANCIAL STATUS REPORT

APPENDIX H

Form A-8
QUARTERLY STATUS REPORT FOR PROJECT INCOME

APPENDIX I

Form A-9
CHANGE OF PROJECT DIRECTOR / FISCAL OFFICER

APPENDIX J

Form V-1
VAWA PROGRESS REPORT

APPENDIX K

Form V-2
DAC EVALUATION REPORT

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