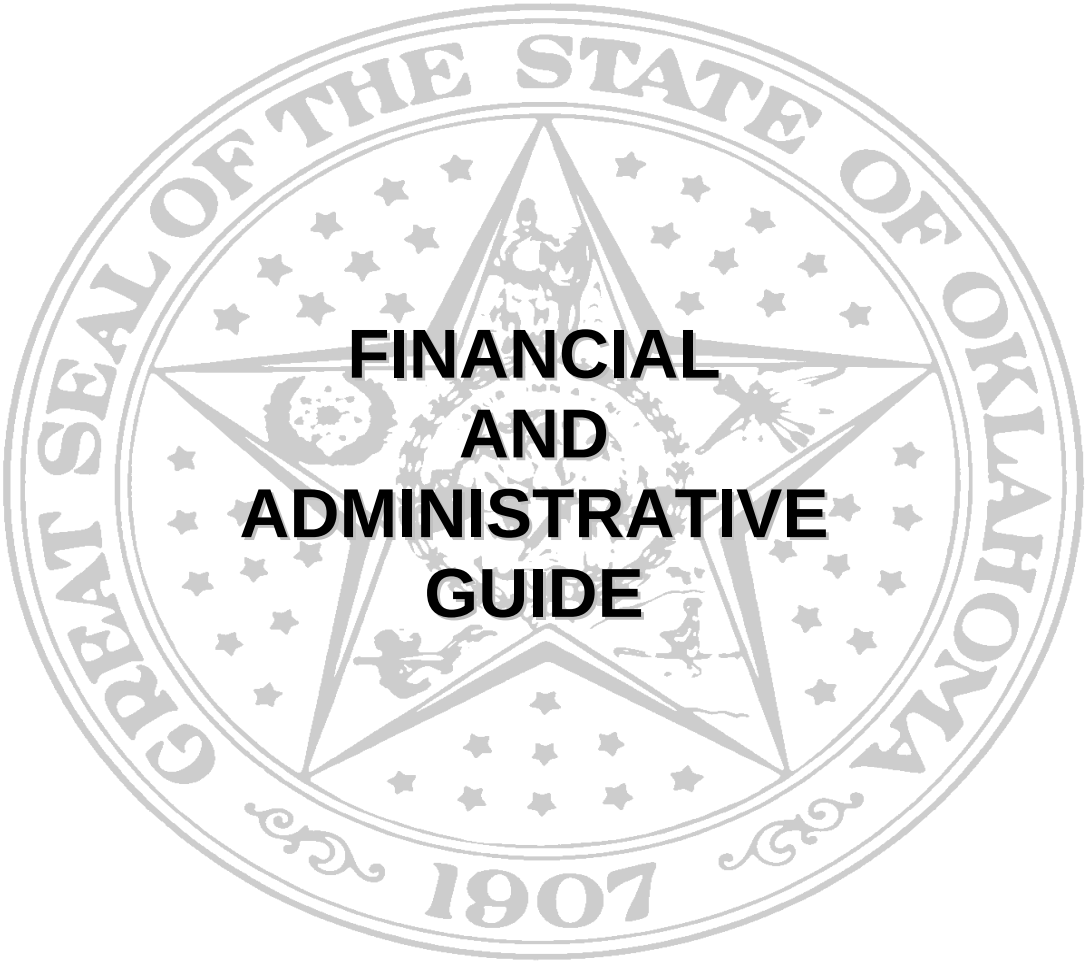
2007
JUSTICE ASSISTANCE GRANT



FINANCIAL AND ADMINISTRATIVE GUIDE

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FORWARD

June 22, 2007

Dear Subgrantee:

On behalf of the Justice Assistance Grant Board and the District Attorneys Council (DAC), I want to congratulate you on receiving a Justice Assistance Grant.

As you may know, the Federal Grants Division within the DAC is responsible for the management of seven federal grant programs. Funding is primarily received from the Bureau of Justice Assistance (BJA), Office of Justice Programs, United States Department of Justice.

The Division serves as the point of contact between the State of Oklahoma and BJA in administering the grant programs. The mission of BJA is 1) to reduce and prevent crime, violence, and drug abuse; and 2) improve the functioning of the criminal justice system. BJA accomplishes this mission by providing federal grant funding to states. The grant programs administered by the Division are the:

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

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 Specialist, 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
Federal Grants Division Director

ADMINISTRATIVE AND PROGRAMMATIC GUIDELINES

GRANT PURPOSE

The Bureau of Justice Assistance (BJA), through the Justice Assistance Grant (JAG), authorizes states to award grants within six federal legislatively established purpose areas. The purpose of this grant is to prevent and control crime. The JAG blends two previous grants, the Edward Byrne Memorial Formula Grant and the Local Law Enforcement Block Grant, to provide the state with the flexibility to prioritize and place justice funds where most needed.

RESTRICTIONS ON USE OF FUNDS

The JAG funds shall not be used directly or indirectly for security enhancements or equipment for nongovernmental entities that are not engaged in criminal justice or public safety. In additions, JAG funds shall not be used for vehicles, vessels, or aircraft, luxury items, real estate, or construction projects.

AWARD PERIOD

The award period for this grant is July 1, 2007, through June 30, 2008.

AWARD ACCEPTANCE PROCEDURES

The Federal Grants Division in the DAC has forwarded the Award Document, the Special Conditions, and other critical documents to the subgrantee. The Award Document 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, the Special Conditions and other critical documents by the start date on the award or August 15, 2007.**

The following are the award documents that must be returned by the specified deadlines.

DOCUMENT	INSTRUCTIONS
Award Notice	Chief Executive Officer must sign and date. The document must be notarized. Return to DAC by **August 15th.**
Special Conditions	Chief Executive Officer and Project Director must sign and date. Return to DAC by **August 15th.**
Form A-1 Authorization to Sign Project Documents	Chief Executive Officer must sign and date. Return to DAC by **August 15th.**
Form A-4 Certification of Equal Employment Opportunity Plan	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **August 15th.**

DOCUMENT	INSTRUCTIONS
Form A-10 **Statement of Audit Arrangements**	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **August 15th.**
Form A-12 **Disclosure of Lobbying Activities**	Complete requested information. Chief Executive Officer must sign and date. Return to DAC by **August 15th.**
Form A-13 **Certification of Project Income**	Complete the requested information. The Chief Executive Officer and the Project Director must sign and date. Return to DAC by **August 15th.**
Form J-1 **Special Condition for Expenditure of Confidential Funds**	Complete only if confidential funds will be utilized in the project. Chief Executive Officer and Project Director must sign and date. Return to DAC by **August 15th.**
Budget Forms	If the Board approved less than the amount requested in the original application, the overall budget and detailed budget pages **including the narrative**, must be resubmitted. Complete and return by **August 15th.**
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 Grants Division. Return to DAC by **August 15th.**
IRS Form W-9 **Request for Taxpayer Identification Number and Certification**	If the applicant is a new subgrantee, complete requested information. Chief Executive Officer must sign and date. Return to DAC by **August 15th.**
Equal Employment Opportunity Plan	If required (as determined by the **Form A-4 Certification of Equal Employment),** the subgrantee will provide an acceptable Equal Employment Opportunity Plan (EEOP) that is approved by the Office of Civil Rights within 30 days from the date of the award, or **August 1st.** Failure to submit an approved EEOP is a violation of the Special Conditions and may result in suspension or termination of funding, until such time as the subgrantee is in compliance.

All documents must be signed by the Chief Executive Officer. Some documents may require the Project Director's signature in addition to the Chief Executive Officer. **The Chief Executive Officer is the District Attorney, City Manager, Mayor, Chairperson**

of the County Commissioners, or Tribal Leader. The Project Director, Police Chief, or Sheriff does NOT have authorization to sign as the Chief Executive Officer.

No federal funds will be disbursed to the subgrantee until all award documents have been signed and returned.

SPECIAL CONDITIONS

Subgrantees should review and understand all Special Conditions prior to the acceptance of the award. 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.

The Chief Executive Officer and the Project Director are required to adhere to the following Special Conditions of the award:

1. The subgrantee agrees that the Award Document 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 and all other documents as required by the Federal Grants Division by the start date of the award, or **August 15, 2007.**

2. The subgrantee agrees to comply with the financial and administrative requirements set forth in the most current edition of the *Justice Assistance Grant Financial and Administrative Guide* as developed by the Federal Grants Division in the District Attorneys Council and the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) *Financial Guide*.

3. The subgrantee agrees to comply with the organizational audit requirements of OMB Circular, A-133, Audit of States, Local Governments and Non-Profit Organizations.

4. If required, the subgrantee will submit an acceptable Equal Employment Opportunity Plan (EEOP) that is approved by the Office of Civil Rights within 30 days from the date of the award. Failure to submit an approved EEOP is a violation of the Special Conditions and may result in suspension or termination of funding, until such time as the subgrantee is in compliance.

5. 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 use for the purposes under the conditions applicable for the used of funds under this award, including the effective edition of the *Justice Assistance Grant Financial and Administrative Guide* as developed by the Federal Grants Division in the District Attorneys Council and the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) *Financial Guide*.

6. 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 express written approval of the Office of Justice Programs.

7. The subgrantee agrees to assist BJA in complying with the National Environmental Policy Act (NEPA) and other related federal environmental impact analyses requirements in use of these grant funds. The following activities are covered:

   a. New construction;
   b. Minor renovation or remodeling of a property either (a) listed on or eligible for listing on the National Register of Historic Places or (b) located within a 100-year flood plain;
   c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change of it's basic or prior use or (b) significantly change its size; and,
   d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education components.

   The subgrantee understands that this special condition applies to its following new activities whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the subgrantee and the activity needs to be undertaken in order to use these grant funds, this condition must be met first.

8. The Project Director and the Fiscal Office of the project must attend the mandatory Financial Meeting, scheduled for **June 15, 2007,** in Oklahoma City. Further information on this meeting will be provided to the subgrantee.

9. The subgrantee agrees to use funds for those purposes which it identified in the application. If its use of the funds changes from that originally submitted, the subgrantee agrees to submit an amended program plan, and to obtain written approval of that plan. Any funds expended prior to written approval of an amended program plan may be determined to be an unallowable use of grant funds.

10. Prior to the expenditure of the project's allocation of confidential funds, the authorized official certifies that he/she has read, understands, and agrees to abide by all the conditions for confidential expenditures as set forth in the effective edition of the *Justice Assistance Grant Financial and Administrative Guide.*

11. 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.

12. The Federal Programs Division will approve the goals and objectives section for all approved applications to ensure that the objectives are **measurable**. If requested, the subgrantee will be required to resubmit objectives that are measurable.

13. The Federal Grants Division will approve the budget in the framework of the award amount. The subgrantee understands and agrees that any deviations to the approved budget must be in compliance with the most current edition of the *Administrative and Financial Guide.* Deviations outside of the scope of the approved budget and/or the *Administrative and Financial Guide* may result in unallowable expenditures and therefore lead to the return of federal funds by the subgrantee.

14. Evaluation information will be required. The subgrantee agrees to collect and report on data based on the measurable objectives as set forth in the approved application.

15. The subgrantee agrees to submit all fiscal and programmatic reports by the deadlines set in the *Justice Assistance Grant Financial and Administrative Guide*. If these deadlines are not met, the subgrantee understands that future awards may be jeopardized.

16. The subgrantee agrees not to purchase any weapons, ammunition, vehicles, vessels, or aircraft, luxury items, real estate, with the federal grant funds. The JAG funds shall not be used directly or indirectly for security enhancements or equipment to nongovernmental entities that are not engaged in criminal justice or public safety.

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

18. If any portion of the award is subcontracted or subawarded, the subgrantee agrees to ensure that the subcontractor is aware that the special conditions set forth also apply to them.

19. The subgrantee agrees not to exceed the salary cap per employee of $55,000 (federal and match) for salary. Salary includes the actual annual salary plus any payment for longevity, overtime and/or comp time. Benefits, which are excluded from the cap, include annual leave, and the employer's share of health insurance, FICA, unemployment insurance, workman's comp insurance, and retirement.

20. Subgrantees must certify that Limited English Proficiency persons have meaningful access to the services under this program. National origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI and the Safe Streets Act, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation when necessary. The U.S. Department of Justice has issued guidance for subgrantees to help them comply with Title VI

requirements. The guidance document can be accessed on the Internet at www.lep.gov.

21. DRUG TASK FORCES ONLY: The subgrantee agrees to send an investigator from the Drug Task Force to a minimum of 50% of the quarterly drug task force meetings scheduled by the Drug Task Force Coordinator.

22. DRUG TASK FORCES ONLY: The subgrantee agrees to use the HIDTA Deconfliction program maintained and operated by the Oklahoma Bureau of Narcotics and Dangerous Drugs.

23. DRUG TASK FORCES ONLY: Peace officers that are funded through the JAG Program must be CLEET certified as a full-time peace officer prior to participating or immediately eligible for certification through reciprocity.

24. DRUG TASK FORCES ONLY: The subgrantee agrees to comply with the Mitigation Plan requirements as set forth by the Department of Justice, Bureau of Justice Assistance:

    a. Provide medical screening of personnel assigned or to be assigned by the grantee to the seizure or closure of clandestine methamphetamine laboratories;
    b. Provide Occupational Safety and Health Administration (OSHA) required initial and refresher training for law enforcement officials and all other personnel assigned to either the seizure or closure of clandestine methamphetamine laboratories;
    c. As determined by their specified duties, equip the personnel with OSHA required protective wear and other required safety equipment;
    d. Assign properly trained personnel to prepare a comprehensive contamination report on each seized/closed laboratory;
    e. Utilize qualified disposal personnel to remove all chemicals and associated glassware, equipment, and contaminated materials and wastes from the site(s) of each seized laboratory;
    f. Dispose of the chemicals, equipment, and contaminated materials and wastes at properly licensed disposal facilities or, when allowable, at properly licensed recycling facilities;
    g. Monitor the transport, disposal, and recycling components of subparagraphs lettered e. and g. immediately above in order to ensure proper compliance.

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 Grants 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 Grants 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 DAC.

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 only exception to these responsibilities is with confidential funds expenditures. The Project Director must account for confidential funds.

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 a state agency head, mayor, city manager, chairperson of the Board of Directors, chairperson of the County Commission or an authorized tribal leader.

If there is a personnel change for 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 the 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 must submit a request to change the scope of the project to the Director of Federal Grants. The Director of Federal Grants is then required to obtain approval from the Board.

ASSIGNMENT OF SUBCONTRACT OR SUBAWARD

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 Grants 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 collect pertinent data throughout the life of the grant as identified in the approved goals and objectives.

PROGRAMMATIC REPORTING REQUIREMENTS
The following table identifies the programmatic reporting requirements and corresponding due dates.

FORM	DATE DUE
Personnel Verification Form	Due **January 15, 2008**
FORM J-2 **JAG PROGRESS REPORT**	Due **October 1, 2008** – 90 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 Specialist 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 recipient of federal funds, 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 JAG 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 JAG 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. (obtain grant number from Program Specialist) and awarded by the Bureau of Justice Assistance,

Office of Justice Programs, United States Department of Justice to the State of Oklahoma.

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, December 2006 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 and matching 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. For drug courts, the funds must flow through the county treasurer.

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 and matching funds separately for each grant from the receipt and expenditure of other funds in the account and should be classified by source, such as JAG, Cash Match, etc.

2. The accounting system must provide for the recording of grant and match 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. If the invoice is split funded between multiple funding sources, the invoice should clearly list the breakout by source.

4. Time records must be maintained for each employee that is paid with federal or matching funds so that the number of weekly hours spent implementing the grant can be specifically attributed to the grant and must include a supervisor's signature.

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. Internal controls should be in place for approval of obligation and expenditure of funds. All requests for payments should contain no 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.

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

9. 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. Keep in mind that cash match comprising the appropriate percentage of the total project cost, must be identifiable as a specific budget appropriation.

It is suggested that invoice totals be circled or initialed to indicate that the amount to be paid has been verified. If the invoice is split funded between multiple funding sources, the invoice should clearly show the breakout. 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.

RECORDS ORGANIZATION

Record organization 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-10 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
A-5 Form - Statement of Equipment Purchases
A-6 Form - Equipment Inventory
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.

NON-SUPPLANTING OF FUNDS

Federal funds must be used to supplement, or add to, existing funds for the program. Supplanting occurs when appropriated funds are replaced with federal funds. This occurs

most commonly with personnel but supplanting can occur with other allowable budget categories.

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 sources. 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.

MATCH

Match Requirements

The federal share for these projects may not exceed 75% of the total cost of the project. A 25% match is required. Match for the JAG program may be either cash or in-kind. Funds provided for match must be used to support a federally funded project and must be in addition to, and therefore supplement, funds that would otherwise be made available for the state program purpose. Match is restricted to the same use of funds as allowed for the Federal funds.

The 25% match requirement refers to a total amount and is not a line item by line item requirement. For example, if the federal budget proposed is $750 for personnel and $750 for equipment, the match budget would be a total of $500 allocated to categories of your choice. The match categories are not required to be equipment or personnel. The match funds could be travel expenses.

Types of Match

1. Cash Match includes cash spent for project-related costs. Allowable cash match only includes those costs which are allowable with Federal funds.

2. In-kind Match includes, but is not limited to, the valuation of in-kind services. "In-kind" is the value of something received or provided that does not have a cost associated with it. An in-kind match may include donations of expendable and non-expendable equipment, office supplies, workshop or classroom materials, work space or the monetary value of time contributed by professional and technical personnel and other skilled and unskilled labor if the services they provide are an integral and necessary part of a funded project. The value placed on loaned or donated equipment may not exceed its fair rental value. The value placed on donated services must be consistent with the rate of compensation paid for similar work in the organization or the labor market. Fringe benefits may be included in the valuation. Volunteer services must be documented, and to the extent feasible, supported by the same methods used by the subgrantee organization for its own employees. The value of donated space may not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same

locality or $10 per square foot and 150 square foot per person. The basis for determining the value of personal services, materials, equipment, and space must be documented.

Source and Type of Funds
Cash match may be applied from the following sources:

1. Funds from States and local units of government that have a binding commitment of matching funds for programs or projects.

2. Funds from the following:
   a. Housing and Community Development Act of 1974, USC §5301, et seq. (subject to the applicable policies and restrictions of the Department of Housing and Development).
   b. Appalachian Regional Development Act of 1965, 40 USC §214.

3. Equitable Sharing Program, 21 USC §881 (e) (current guidelines developed by the DOJ Asset Forfeiture Office apply). Forfeited assets used as match from the Equitable Sharing Program would be adjudicated by a Federal court.

4. Funds contributed from private sources.

5. Program income and the related interest earned on that program income generated from projects, provided they are identified and approved prior to making an award.

6. Program income funds earned from seized assts and forfeitures (adjudicated by a State court, as State law permits).

7. Funds appropriated by Congress for the activities of any agency of a Tribal government of the Bureau of Indian Affairs performing law enforcement functions on Tribal lands.

8. Sources otherwise authorized by law.

Timing of Matching Contributions
Matching contributions need not be applied at the exact time or in proportion to the obligation of the Federal funds. However, the full matching share must be obligated by the end of the period for which the federal funds have been made available for obligation.

Records for Match
Subrecipients must maintain records which clearly show the source, the amount, and the timing of all matching contributions.

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 net 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. In the case of drug task forces, project income is considered received after it has been adjudicated by the State court, all appeals have been finalized, and is available for use by the subgrantee. 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:

- asset seizures and forfeitures
- income received from the sale of seized and forfeited assets (personal or real property)
- royalties
- a court-ordered award of attorney's fees or costs
- registration and/or tuition 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 should be used as earned and expended as soon as possible. **Project income not expended at the end of the award period must be returned to the Department of Justice.**

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.

TIPS IN REPORTING PROJECT INCOME:

In reporting Project Income on the A-8 Quarterly Status Report, there cannot be more project income expenses than project income earned. An A-8 Report should not have a negative balance.

Project Income Documentation
Project Income, like federal and match funds, must be reported accurately and supported by documentation. Project income documentation must consist of the date of seizure, case number and name, date of adjudication and deposit, the amount, and a coordinating court order.

Documentation of the expenditure of project income should include the date, payee, check number, and amount. Expenses should have a coordinating invoice or receipt.

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 reports can be obtained via the website. Go to www.ok.gov/dac. Click on the Federal Grants Division, click on Subgrantee Toolbox, scroll down to Project Forms. The following is a list of the required reporting requirements:

FORM	DUE DATE
FORM A-3 **REQUEST FOR FUNDS FORM**	The A-3 Form is due the 15th of **each** month. If the 15th falls on a Saturday, forms are due on Friday the 14th. If the 15th falls on a Sunday, forms are due on Monday, the 16th. No exceptions.
FORM A-7 **QUARTERLY REPORT**	
• Quarter ending 9/30	Due October 15, 2007
• Quarter ending 12/31	Due January 15, 2008
• Quarter ending 3/31	Due April 15, 2008
• Quarter ending 6/30	Due July 15, 2008
• Final period ending 8/31	Due September 15, 2008
FORM A-8 **QUARTERLY STATUS REPORT FOR PROJECT INCOME**	
• Quarter ending 8/31	Attach to the A-7. Due September 15, 2007
• Quarter ending 12/31	Attach to the A-7. Due January 15, 2008
• Quarter ending 3/31	Attach to the A-7. Due April 15, 2008
• Quarter ending 6/30	Attach to the A-7. Due July 15, 2008
• Final Report ending 8/31	Attach to the A-7. Due September 15, 2008
FORM A-5 **STATEMENT OF EQUIPMENT PURCHASES**	The A-5 Form is due October 1, 2008 – 60 days after the end date of the award.
FORM A-6 **EQUIPMENT INVENTORY**	The A-6 Form is due September 1, 2008 – 60 days after the end date of the award.

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 Specialist 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 financial 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 Anti-Lobbying Act (18 U.S.C. § 1913) was recently amended to significantly expand the restriction on use of appropriated funding for lobbying. The subgrantees, contractors, and subcontractors may not use any federal funds, 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. Any violation of this prohibition is subject to a minimum $10,000 fine for each occurrence.

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.

Information Technology Compliance
As appropriate, all equipment and software developed under this grant program must be compliant with U.S. Department of Justice information technology interface standards, including the National Criminal Intelligence Sharing Plan, the Global Justice XML Data Model, and the Law Enforcement Sharing Plan.

National Environmental Policy Act
All actions significantly affecting the quality of the environment are subject to the provisions of the National Environmental Policy Act (NEPA) and other related federal environmental laws. Most projects will not be affected by NEPA. If however, a project involves minor renovation, construction, or any other activity that may have an impact on the environment or change the use or function of a facility, the subgrantee must provide a full description of the proposed project to DAC prior to project implementation. A determination regarding whether any further action is necessary will be made to and by BJA.

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.

Limited English Persons
Recipients are required to take reasonable steps to ensure that limited English persons (LEP) persons have meaningful access to services provided by the grant. Meaningful access may entail providing language assistance services, including oral and written translation when necessary.

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 laws prohibit discrimination on the basis of race, color, national origin, religion, sex, age, or disability as it relates to funded programs or activities. National origin discrimination includes discrimination on the basis of limited English proficiency (LEP).

To ensure compliance with the Title VI and the Safe Streets Act, subgrantees are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Reasonable costs associated with providing meaningful access for LEP individuals are considered allowable program costs. The U.S. Department of Justice has issued guidance for subgrantees to assist them in complying with Title VI requirements. The guidance document can be accessed on the Internet at www.lep.gov.

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, allowable, 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
- Confidential Funds
- 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 JAG Program.

Expenditures Requiring Prior Approval
Some expenditures require prior approval from the Director of Federal Grants. Refer to the specific allowable expense for more information. Expenditures requiring pre-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

Procedures for Requesting Prior Approval
Requests for any of the above expenditures must be submitted on the Form A-2 Budget Revision and Grant Extension Request Form. The request must be adequately justified with an explanation to permit review of allowability. Requests must be submitted to the Director of Federal Grants.

Non-Allowable Costs
The following expenditures are not allowed under the JAG Program.

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 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 Grants 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 and BENEFITS

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. As per the special conditions of the grant, the subgrantee agrees not to exceed the salary cap per employee of $55,000 for salary and all benefits, including comp time, for the federal portion of the award. Personnel and benefits expenses are only for employees working for the applicant agency. Costs for personnel who are 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, whether paid by matching funds or federal dollars. 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.

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.

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 on the website.

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 whether purchased with federal and/or matching funds, must be approved by the Director of Federal Grants prior to purchases, 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 Grants. 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 on the website. 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 on the website. 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 interjurisdictional 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 Federal Grants Division Director 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 $.485 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.

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 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:	$73.00 per night (maximum)
• Tulsa	Per Diem Rate:	$44.00 ($11.00 per quarter)
	Lodging Rate:	$68.00 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 ($49/$73) will apply, rather than the standard rates of $39/$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 overnight 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 travel status.

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

***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 .485 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 Grants, 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 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 if the expense was approved in the budget or via a written justification approved by the Federal Grants Division Director in advance of rental.

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.

CONTRACTOR AND CONSULTANT

Contractor 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

Contractor 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 Grants.

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.

d. *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. In summary, consultants obtained through competitive bidding do not require prior approval, including individual consultants.

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 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.

CONFIDENTIAL FUNDS

Purpose and Use of Confidential Funds
Using confidential funds can be an important tool in order for multi-jurisdictional drug task forces to achieve the approved goals and objectives stated in the grant. By utilizing confidential funds, law enforcement agents are allowed to operate in an undercover manner and to blend in with the specific environment in which they are working.

Confidential funds may be used for the purchase of services, the purchase of evidence, and/or the purchase of specific information.

Purchase of Services (P/S)
This category includes travel or transportation of a non-Federal officer or an informant; the lease of an apartment, business front, luxury-type automobiles, aircraft or boat, or similar effects to create or establish the appearance of affluence; and/or meals, beverages, entertainment, and similar expenses (including buy money and flash rolls, etc.) for undercover purposes, within reasonable limits.

Purchase of Evidence (P/E)
This category is for the purchase of evidence and/or contraband, such as narcotics and controlled dangerous drugs, firearms, stolen property, counterfeit tax stamps, etc., required to determine the existence of a crime or to establish the identity of a participant in a crime. Any time funds are expended under purchase of evidence, the officer must complete a buy report with details sufficient for prosecution. Any and all controlled dangerous substances purchased must be submitted to an Oklahoma State Bureau of Investigations or a Drug Enforcement Agency forensic laboratory for analysis within 30 days of the purchase. If the case is still under investigation, the officer may request that the results of the analysis be forwarded to the task force office only.

Purchase of Specific Information (P/I)
This category includes the payment of monies to an informant for specific information. All other informant expenses would be classified under P/S and charged accordingly.

These funds should only be used when:

1. The particular merits of a program/investigation warrant the expenditure of these funds.
2. Subgrantees are unable to obtain these funds from other sources.

Guidelines for the Management of Confidential Funds
Each project authorized to disburse confidential funds **must** develop and follow written policies and procedures which incorporate the following elements. Deviations from these elements must receive prior approval of the Director of Federal Grants.

To ensure that confidential funds are not abused in any manner, the following **must** occur:

1. The Project Director must sign a certification in which he/she indicates that they have read, understand and agree to abide by the provisions of State and federal guidelines related to confidential funds.
2. Written policies and procedures must be established for the use of confidential funds, including the delegation of authority, separation of functions, and security measures.
3. An annual reassessment of the guidelines and procedures must be conducted to ensure the on-going security and integrity of these funds.

The established policies and procedures should include the following:

I. Policies
   A. Purpose of the Fund;
   B. Appointment, authority and responsibilities of the bonded fund custodian or cashier;
   C. Security measures to protect fund assets not disbursed to officers;
   D. Record and audit requirements;
   E. Reports to be submitted, including a monthly reconciliation report on the imprest fund;
   F. Policies and procedures for the fund's custodian regarding advances and reimbursements from the fund to operations personnel, including required receipts and other documentation;
   G. Policies and procedures applicable to the fund's custodian regarding accountability with the agencies financial unit and with the awarding agency;
   H. Location of records and the retention period for those records;
   I. Access to informant files by fund custodian; and,
   J. Limits, if any, on the cap for transactions.

II. Procedures
   A. Designation of those that may authorize personnel to use confidential funds and the level of expenditure levels;
   B. Designation of those who may request advances or reimbursements from the confidential fund;
   C. Security precautions to be followed by agents or officers when in possession of fund advances;
   D. Steps to be taken if fund advance is lost or stolen;
   E. Limitations on how long a fund advance may be held before it must be returned to the fund custodian;
   F. Supervisor's responsibilities to review and certify agent or officers expenditures and to evaluate the results, especially regarding payments to informants; and,

G. Procedural steps and documentation requirements (including provision of receipts of supporting expenditures) applicable to agent or officers.

Imprest Fund
An imprest fund is used to advance money and reimburse out-of-pocket expenses. The purpose of an imprest fund is to expedite payments and minimize administrative costs of the relatively minor disbursements. A **bonded** custodian must administer an imprest fund.

The Fund's Custodian
The Chief Executive Officer (CEO) of the project should specify the chain of command for the imprest fund. The CEO should appoint the fund's custodian. The fund's custodian should be bonded in an amount equal to his or her maximum access to the fund monies.

Careful consideration should be given to the individual chosen as the fund's custodian. Due to the sensitive material that is frequently associated with a confidential fund, it may be optimal for the fund's custodian to be an individual that is attached to the CEO's immediate staff or is located within the unit that is using the fund.

The policies and procedures will identify the responsibilities of the custodian. The fund custodian should maintain specific records of each confidential funds transaction. This includes all documentation related to requests for funds, authorizations, receipts, and other records necessary to justify and track all expenditures. All records should be open to periodic audits.

Authority and Delegation
While, the fund's custodian must have enough authority to fulfill their responsibilities, no individual should have total control over every phase of the management process. Guidelines should contain checks and balances with persons in varying rank and authority. Those individuals who authorize the use of cash and other assets should not be responsible for custody. Finally, record keeping and bookkeeping activities should be separated from the handling and custody of assets.

There is no cap on an individual informant transaction; however each CEO should set specific limits in the established policies and procedures on how much an agent or officer may spend for the purchase of information, the purchase of evidence, or the purchase of services without obtaining prior approval.

Security
As it is unsafe to leave cash lying about, the measures to be taken to secure the funds should be identified. It is strongly recommended that confidential funds be kept in a safe rather than a locked cabinet.

Advance of Funds
The established policies and procedures must outline the steps to obtain authorizations before drawing advances on the funds. The supervisor of the unit should, at minimum, authorize the agent or officers' advances. Such authorization must specify the information to be received, the amount of the expenditures, and the name of the informant.

Agents or officers who are issued advances must:

1. Sign a receipt signifying acceptance of the advance of funds;
2. Document their expenditures by receipts (including signed receipts from informants acknowledging payments)
3. Obtain a receipt for unexpended funds returned to the fund's custodian.

For security purposes, there should be a 48-hour limit on the amount of time that funds are advanced for a PE/PI/PS expenditure. If it becomes apparent at any point within the 48-hour period that the expenditure will not materialize, then the funds should be returned to the fund's custodian as soon as possible.

An extension of the 48-hour limit may be granted by the management that approved the advance. Factors to consider in granting such an extension are the amount of funds that were advanced, the length of the extension, and the significance of the expenditure. Such extensions should be limited to 48 hours. Beyond this, the funds should be returned and readvanced, if necessary. Regardless of circumstances, within 48 hours of the advance, the fund's custodian should be presented with either the unexpended funds, an executed report of payment for information or purchase of evidence or written notification by management that an extension has been granted.

However, for those projects with officers whose duty stations are located in other cities or counties, management may consider more reasonable extensions provided these funds will be inspected on a monthly bases by a supervisor. It is recommended no funds be extended for more that thirty days. During the inspections the supervisor will count the money on hand and receipts and compare these totals to the total amount initially issued to the officer. The officer must also submit a monthly report to the supervisor and fund custodian using the forms mentioned below.

Review and Certification
The signed receipt from the informant payee with a memorandum detailing the information received shall be forwarded to the agent or officer in charge. The agent or officer in charge shall compare the signatures. He/she shall also evaluate the information received in relation to the expense incurred and his/her evaluation remarks in the report of the agency or officer who made the expenditure from the imprest fund. The certification will be witnessed by the agent or officer in charge on the basis of the report and information payee's receipt.

Reporting of Funds
Each project shall prepare a reconciliation report on the imprest fund on a quarterly basis. Information to be included in the reconciliation report will be the assumed name of the informant given and to what extent this information contributed to the investigation. Subrecipients shall retain the reconciliation report in their files and have available for review.

Supervisory Responsibilities
The supervisor should review and evaluate the agent or officer's expenditures on a quarterly basis. The supervisor should inspect the receipts signed by informants, compare the informants' signatures to those on file, and evaluate the value of the informants' information or service.

Cash Receipts
The custodian shall receive, from the agent or officer that is authorized to make a confidential payment, a receipt for cash advanced to him/her for such purposes.
The agent or officer shall receive from the informant a receipt for cash paid to him/her.

Receipt for Purchase of Information
An information payee receipt shall identify the exact amount paid to and received by the informant on the date executed. Cumulative or anticipatory receipts are not permitted. Once the receipt has been completed, **no alteration is allowed**. The agent shall prepare an information payee receipt containing the following information:

- The jurisdiction initiating the payment;
- A description of the information/evidence received;
- The amount of payment, both in numerical and word form;
- The date on which the payment was made;
- The signature of the information payee;
- The signature of the case agent or officer making payment;
- The signature of at least one other officer witnessing the payment; and
- The signature of the first line supervisor authorizing and certifying the payment.

Establishing an Informant
In establishing a person as an informant, the following procedures must be followed.

1. Preparation of an informant code book;
2. Identification of the informants true name;
3. Establishment of an informant code name, if desired;
4. Listing the type of informant, such as informant, defendant/informant, restricted-use informant;
5. Identification of the establishing law enforcement officer;
6. Date the establishment is approved;
7. Date of deactivation; and,
8. Establishment of an informant file as indicated in the next section.

Informant Files
Informant files are defined as "confidential files of the true names, assumed names, and signatures of all informants to whom payment of confidential funds has been made." A separate file on each informant receiving confidential funds must be established for accounting purposes and is subject to a number of specified security procedures.

It is optional for a code name to be assigned to the informant. However, if a code name is issued the informant's true name and code name must be in the informant file. The informant's signature in both names should be in the informant file for handwriting verification purposes.

The informant file shall contain the following:

- Informant Payment Record Summary;
- Informant Establishment Record, including complete identifying and locating data, plus other documents connected with the informant's establishment;
- Current Photograph and Fingerprint Card;
- Criminal History Inquiries and Results;
- Agreement with Cooperating Individual;
- Release and Wavier;
- Copy of Receipts for Purchase of Information;
- Any administrative correspondence pertaining to the informant, including documentation of any representations made on his behalf or any other non-monetary considerations furnished; and,
- Any deactivation report or declaration of an unsatisfactory informant.

The informant file may also contain:

- Copies of all debriefing reports, except for the headquarters case file;
- Copies of the case initiation reports bearing on the utilization of the informant, except the headquarters case file;
- Copies of Statements signed by the informant (unsigned copies will be placed in the appropriate investigative file);

The agent or officers should review active informant files on a quarterly basis to assure that the file contains all relevant and current information. When a material fact that was reported earlier on the Establishment Record is no longer correct, such as a change in criminal status, means for locating him or her, etc., a supplemental Establishment Report should be submitted with the correct information.

All informants being established shall be checked in all available criminal indices. If a verified Federal Bureau of Investigations (FBI) number is available, request a copy of the criminal records from the FBI. Where a verified FBI number is not available, the informant shall be fingerprinted with a copy sent to the FBI and appropriate State

authorities for analysis. The informant may be utilized on a provisional basis while awaiting a response from the FBI.

Payments to Informants
Any person who is to receive payments charged against PE/PI funds must be documented as an informant as described in the previous section. This includes person who may otherwise be categorized as sources of information or informants under the control of another agency. The amount of payment should be commensurate with the value of services and/or the information provided. It should also be based on the following factors:

1. The level of the targeted individual, organization, or operation.
2. The amount of actual or potential seizure.
3. The significance of the contribution by the informant to the desired objectives.

Two officers must witness a payment to an informant unless there is a documented emergency, which involves serious risk of life or property. The lack of availability of a witness does not constitute an emergency. The informant's fingerprint is mandatory on all receipts. The Task Force supervisor must initial or sign all confidential informant receipts indicating his knowledge of the transaction. If the supervisor has signed as a witness, it is not necessary to sign again.

A photocopy of each informant receipt must be placed in a second location. The CEO should determine the second location. This will prevent the original receipt from being the one and only copy. Photocopies of informant receipts must be placed in the informant's file as a further safeguard.

Payments Made While Acting Undercover
When acting in an undercover roll, the officer may expend funds for the purchase of evidence and purchase of service. After the expenditure of funds, the officer will complete a CF-5 Form. When completing the CF-5 Form, write "Undercover" in the space provided for the informant name and leave the informant signature and fingerprint blank. Two officer signatures are still required, the undercover officer and a witnessing officer.

Maintenance of Informant Files
Informant files should be kept in a separate and secure storage facility, segregated from any other files, and under the exclusive control of the CEO or a designated employee. The facility should be locked at all times when unattended. Access to these files should be limited to those employees who have a necessary and legitimate need. An informant file should not leave the immediate area except for review by a management official or the handling agent and should be returned prior to the close of business hours. Sign-out logs should be kept indicating the date, informant number, time in and out, and the signature of the person reviewing the file.

Confidential Funds Forms
Subgrantees are required to utilize the following forms in the administration of a confidential fund. These forms can be found in the Appendix. A subgrantee may add additional forms or requirements; however, at minimum these forms must be used. The reports can be obtained via the website. Go to www.ok.gov/dac. Click on the Federal Grants Division, click on Subgrantee Toolbox, scroll down to Drug Task Force Confidential Funds Forms.

Form CF-1 – Activity Log for Cash Confidential Funds
This form is an administrative tool for the fund's custodian to summarize each fund transaction. This form is used in every transaction. The form is used to record payments into and out of the fund, to note the type of transaction, to provide key details about the transaction, and to maintain a running balance.

Form CF-2 – Transaction Record for Confidential Fund Advance
This form is used to record details regarding fund advances – from authorization to the advance, to disbursement and written acknowledgement of its receipt by the officer.

Form CF-3 – Monthly Statement of Confidential Drug Funds
This is a voucher that is completed by the officer to summarize case-related expenditures. It includes the officer's beginning balance, any cash advances, cash to be accounted for, and ends with a balance on hand. The voucher is presented to the fund's custodian for a monthly accounting.

Form CF-4 – Monthly Expenditure Log for Confidential Fund
This form is used by the officer to record the details of payments to informants or payments for other case-related purposes, including what was achieved as a result of these payments. It is a summary page of all transactions occurring within the monthly period. This form should be attached to the CF-3 Form and forwarded to the fund's custodian.

Form CF-5 – Receipt of Cash Purchase of Evidence, Information, or Services
This form is used by the officer to document informant case-related expenditures and undercover expenses, including what those payments achieved. This form must contain the related Task Force Case Number. Like the CF-4 Form, the CF-5 Form should be attached to the CF-3 Form, which would be forwarded to the fund's custodian for accounting purposes.

Step-by-Step Use of Confidential Fund Forms

1. **Form CF-2, Sections A and B.**
   The agent or officer obtains authorization for a cash advance and acknowledges receipt from the fund custodian, who retains the original of CF-2. A photocopy is given to the requesting party.

2. **Form CF-1**
   The custodian enters the information regarding the advance on the Activity Log.

3. **Form CF-3**
   The officer records the date and amount of the advance on his Monthly Statement of Confidential Drug Funds. The Total to Be Accounted For should equal the total of the month's receipts.

4. **Form CF-5**
   This receipt is used for the purchase of evidence, information or services. The informant acknowledges receiving payment from the officer. Copies of the receipt are placed in the informant file.
5. **Form CF-4**
   The officer records details and results of transactions. Each transaction from a CF-5 Form should be listed on this form. It is a summary page for all of the transactions occurring within the month. At the end of the month, it is turned into the custodian along with the CF-3 Form and the CF-5 Form and any receipts.

6. **Form CF-2, Section C**
   The officer and the custodian record the return of any unused confidential funds. The custodian completes the CF-2 Form and provides the officer a copy for insertion in the case file.

7. **Form CF-1**
   The custodian enters transactions from Sections A and C of Form CF-2 and the total of Form CF-5 as well as any advance or reimbursement from the grant or other source(s) of confidential funds.

Records Retention

All records must be retained for a minimum of five years to be in compliance with State and federal requirements.

Guidelines

In addition to the guidelines set forth in this Guide, any subgrantee that is approved for confidential funds is subject to the provisions as outlined in Chapter 8 of the *December 2006 Edition Financial Guide,* distributed by the U.S. Department of Justice, Office of Justice Programs, Office of the Comptroller. The contents of this chapter may 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 federal 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.

If more than one budget revision occurs during the award period, including a revision that is less than 10%, an A-2 Budget Revision IS required.

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

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 these 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 Grants 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 Specialist or the Director of Federal Grants will contact the subgrantee to discuss the matter. **Requests for budget revisions will not be approved after June 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 federal grant 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 of the need of the grant extension is required.

Request for extensions are NOT effective until the Director of Federal Grants 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 Specialist or the Director of Federal Grants will contact the subgrantee to discuss the matter. **Requests for grant extensions will not be approved after June 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 June 1, 2008, unspent funds will be forfeited and returned to DAC. Without appropriate notice and approval, the original award period 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 it uses for the 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 three 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 the DAC. 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 Grants 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. 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 Phone Activated Paperless Request System (PAPRS) 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 drawdowns of cash are made only when necessary for disbursement.**

Payments Withheld
Each Program Specialist 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 Specialist. The Program Specialist 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. The Program Specialist will phone or email all subgrantees that are delinquent to notify them of the past due report. The Program Specialist will allow the subgrantee one additional week to forward the report and notify them that the current or next draw will be held until a report is received. The notification will be documented in the subgrantee's grant file.

2. If the report is not received by the deadline, the Program Specialist will submit a Draw Hold Form to withhold the next monthly draw of the subgrantee. The Program Specialist 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 **60 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.** These obligations and payments include both federal dollars and matching contributions. 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 **60 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 Justice Assistance 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 Justice Assistance 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 JAG 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.

The JAG Board may, after reasonable notice and opportunity for a hearing, terminate or suspend funding for a subgrantee that implements programs or projects which fail to conform to the requirements or statutory objectives or that fails to comply substantially with the Justice Assistance Grant Program and the Federal Regulations promulgated there under; including the terms and conditions of the award.

Subgrantees will be given a warning, then suspension, and a set number of days to correct a problem with award compliance. If a subgrantee fails to take appropriate,

corrective action, the Board may, by written notice to the subgrantee, terminate the grant agreement upon no less than 24 hours notice. The notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery.

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 Justice Assistance 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 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 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 fourth quarterly report. The encumbered expenses must be paid within 60 days of the end of the grant period. If the encumbered expenses are not paid within 60 days, the expenses will be disallowed.

2. The unpaid obligations that have been paid within the 60-day period should be shown as expenditures this quarter and included in the total project cost on the final report.

3. The federal share of funds drawn down and remaining at the end of 60-day period that were not obligated at the expiration date and/or were not expended within the 60 days must be returned to DAC.

4. Upon receipt of the final quarterly, DAC will calculate the amount of federal funds to be returned. Notification of the total amount due to DAC will be sent to the Project Director.

5. Make the check payable to the District Attorneys Council. Do NOT send the check with a DAC Check Transmittal Form.

6. List the subgrant number in the memo section 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
Performance Report/Progress Report	Submit the portion of the form that is applicable to your particular grant. Due **September 1, 2008**.
FORM A-5 **Statement of Equipment Purchases**	If equipment was purchased, this form must be submitted. Due **September 1, 2008**, 60 days after the end date of the grant.
FORM A-6	If equipment was purchased, this form

Property Inventory List	must be submitted. Due **September 1, 2008,** 60 days after the end date of the grant.
FORM A-8 **Quarterly Status Report for Project Income**	If project income was reported at any point in the award period, a final Form A-8 must be submitted identifying the expenditure of the project income by **September 15, 2008**.
FORM A-7 **Quarterly Expenditure Report**	The fourth quarterly expenditure report is due **July 15, 2008**. If this is not the final report, the final report is due **September 15, 2008.** It should be marked final and must reflect that all grant and match expenditures have been expended. This report may not reflect any unpaid obligations.

RECORDS MAINTENANCE

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.

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, Audit of State and Local Governments and Audits of non-profit organizations. 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

CHAPTER 8
CONFIDENTIAL FUNDS
DECEMBER 2006 ISSUE FINANCIAL GUIDE

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