

OKLAHOMA
DISTRICT ATTORNEYS COUNCIL

VOCA



FINANCIAL AND ADMINISTRATIVE GUIDE
FOR
VICTIM ASSISTANCE FORMULA
GRANT PROGRAMS

Revised 1/07

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INTRODUCTION

All subgrant recipients of VOCA grants will be required to:

1. Retain all required project and financial records and reports including all receipts and vouchers for a period of at least three (3) years after the project has ended or until all audit findings have been reconciled. 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;
2. Provide monthly requests for funds, quarterly financial reports, and annual performance reports, to the District Attorneys Council (DAC) which account for all expenditures by approved budget categories, match, and all program activity;
3. Abide by all state and federal regulations governing the expenditure of project funds;
4. Obtain an independent audit according to requirements set forth in this document; and
5. Collect and maintain data to be used in evaluating the extent to which the total project objectives were achieved.

GENERAL SUBGRANT CONDITIONS AND ASSURANCES

Any subgrant award pursuant to the Crime Victim Assistance Grant shall be subject to and administered in conformity with the following applicable financial requirements and project responsibilities, as well as any special conditions outlined in the program descriptions, and any additional requirements adopted by the DAC:

An assurance that the subgrantee will comply with the provisions of the current Office of Justice Programs "Financial and Administrative Guide for Grants." This document is available through DAC and can be obtained as supplemental information to this guide.

No person shall be excluded from participation in, denied benefits of, subject to discrimination under, or denied employment in connection with any activity receiving funds under the Victims of Crime Act on the basis of race, age, color, religion, national origin, handicap, or sex. Recipients of funds under the Act are also subject to Title VI of Civil Rights Act of 1964, (42 U.S. C. 2000d prohibiting discrimination in such programs on the basis of handicap), the Age Discrimination Act of 1975 (42 U.S. C. 6101 et seq.), and the Department of Justice Non-discrimination Regulations (28 CFR Part 42, Subparts C, D, and G).

I. CONFLICTS OF INTEREST

Personnel and other officials connected with agency-funded programs shall adhere to the following requirements:

Advice. No official or employee of a state or unit of local government or a non-governmental recipient/subrecipient shall participate personally, or through their designee, in any matter in which VOCA funds may be used, where to his/her knowledge, he/she or any relative within the third degree by blood or marriage has a financial interest.

Appearance. In the use of agency project funds, officials or employees of State or local units of government and non-governmental subrecipients shall avoid any action which might result in, or create the appearance of:

- Using his or her official position for private gain;
- Giving preferential treatment to any person;
- Losing complete independence or impartiality;
- Making an official decision outside official channels; or
- Affecting adversely the confidence of the public in the integrity of the government or the program.

II. CONDITIONS OF AWARD AND ACCEPTANCE

Award Document. After completion of the internal review process, award applications designated for approval by the nine-member Victims of Crime Act (VOCA) Board are formally awarded in the form of an issuance of a "VOCA Subgrant Award Contract". This document includes the name of the subrecipient, award period, type of federal funds, amount of federal funds, match amount, award number, and funded categories. Special conditions, as appropriate, and certified assurances, signed by the authorized official, are included in the application. Other forms included with the award contract are as follows:

- Subgrant Award Report
- Certification Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements
- Certification of Privacy
- Certification of Confidentiality
- Certification of Equal Employment Opportunity Plan
- Certification of Compliance with Open Meetings Act
- Authorization to Sign Project Documents

Acceptance of Award. The award contract constitutes the operative document obligating and reserving federal funds for use by the subrecipient in execution of the program or project covered by the award. Such obligation may be terminated without further cause if the recipient fails to affirm its timely utilization of the award by signing both the award document

and attachments and returning them to DAC within 30 days from the date of award. No federal funds will be disbursed to the subrecipient until the signed acceptance has been received by the awarding agency.

Commencement of Project. If a project is not operational on the original start date shown on the award contract, the subrecipient must report by letter to the DAC the steps taken to initiate the project, the reasons for delay, and the expected start date, along with Form A-6.

III. FINANCIAL OFFICER

The financial officer is the person who will be responsible for fiscal matters relating to the project and is in ultimate charge of accounting, management of funds, verification of expenditures, and subgrant financial reports. The financial officer must be someone other than the project director.

IV. PROJECT DIRECTOR

The project director is the individual who will be in direct operational charge of the project. He/she should be the person who combines knowledge and experience in the project area with ability in administration and supervision of personnel. He/she shares responsibility with the financial officer for seeing that all expenditures are within the approved budget.

The Director of Victims Services at the DAC must be notified, in writing, of any change of the financial officer or the project director.

V. ACCOUNTING RECORDS

Accounting System. The purpose of this section is to establish minimum requirements for fiscal control and offer guidance as to the establishment and maintenance of suitable grant accounting systems for subrecipients. Funds cannot be obligated until the starting date of the contract. Prior approval is required if funds are expended or project expenses are incurred before this date. The subrecipient is free to use any accounting system which the subrecipient has established if the system meets the following criteria:

1. Receipts should be classified by source, such as Crime Victim Assistance (VOCA), Appropriated, Match, Donations, etc.
2. Expenditures should be classified by the broad budget categories included in the approved subgrant application.
3. Entries in the accounting records should refer to documentation which supports the entry and which can be readily located.

4. Each subaward should be accounted for separately. Continuation subgrants are separate funds and should be accounted for as such, and all project records should reflect the appropriate subgrant number.
5. If a project is over-matched, all that should be committed and reported on the project is the minimum requirement as shown in the award contract.
6. The accounting system must be such as to provide adequate information for the prompt and proper submission of financial reports.
7. 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.
8. The accounting system should include a system of property records for all equipment (discussed in the Equipment section).
9. All required records shall be maintained until the audit has been completed and all questions arising therefrom are resolved or three (3) years from the date of the final financial report.

Suggestions for Accounting Systems. For many subgrants, it may be sufficient to merely have a columned sheet or journal showing cash receipts broken down by source, and a cash disbursements sheet or journal showing the date of expenditures, payee, check number, amount of check, and allocation of the disbursement to the proper budget category. For large and more complex subgrants, it may be desirable to set up a double-entry, self-balancing set of books. The accounting system should be as simple as possible and still provide the necessary information for reporting and for subrecipient managing purposes. Keep in mind that cash match comprising the appropriate percentage of the total project cost must be identifiable as a specific budget appropriation. All subrecipients must maintain records which clearly show the source, amount, and timing of all matching contributions. The full matching share must be obligated by the end of the period for which the federal funds have been made available for obligation under an approved project.

Accounting System Review Checklist. This checklist is provided for subrecipients to consider how well organized the financial internal controls and accounting system are in a subrecipient organization.

General

1. Does the accounting system provide for the accurate and timely recording of accounting transactions?
2. Is source documentation maintained to justify all accounting entries?

3. Is a chart of accounts used?
4. Does a written travel policy exist?
5. Are there written policies, procedures, job descriptions, and organizational charts which clearly indicate authority, responsibility, and personnel practices?
6. Are all employees handling funds bonded?
7. Are all wage rates fixed by contract or authorized in writing by a designated official?
8. Are agency funds completely separated from personal funds?
9. Is the agency audited each year and a written audit report prepared by a CPA or state agency?
10. Is a cash receipts journal maintained?
11. Are cash receipts and disbursements reconciled with the bank statement at least monthly?
12. Are cash receipts handled by someone other than the bookkeeper?
13. Is a safe or locked box used to guard collections?
14. Are cash receipts deposited in a timely fashion?

Disbursements

1. Is a cash disbursements journal maintained?
2. Are all disbursements made by check?
3. Are pre-numbered checks used and all voided numbers accounted for?
4. Is a mechanical check protector used?
5. Are co-signatures required on all checks?
6. Is a voucher system used, or a system which provides for adequate prior review of supporting documentation for all disbursements?
7. Are petty cash funds protected by a system that is periodically checked by someone other than the bookkeeper?

8. Is the practice of drawing checks to "cash" or "bearer" prohibited?
9. Are vouchers or other supporting documents presented together with checks submitted for signature?
10. Are all employees paid by check?
11. Is the payroll checked at regular intervals against the personnel records?
12. Is a postage meter used for outgoing mail?

Expenses

1. Does the accounting system provide for the accumulation of expenses by budget line item (e.g., personnel, travel, equipment, supplies and operating expenses, professional services, and service contracts)?
2. If your agency has more than one grant, will your accounting system provide for the separate identification of expenses chargeable to each grant?
3. Is insurance coverage under the supervision of a responsible employee?
4. Are comparisons of budgeted and actual expenses prepared for review by project director?

Purchases

1. Do purchases require the approval of someone other than the bookkeeper?
2. Are statements or invoices of suppliers compared with recorded liabilities prior to payment?
3. If liabilities are not recorded, are suppliers' monthly statements reviewed and approved by appropriate supervisory personnel?

Equipment

1. Is there a system for recording and identifying equipment purchases which adequately insures safeguards and accountability?
2. Are periodic physical inventories taken and compared with inventory records?

Match. Cash and in-kind contributions are acceptable as the victims assistance matching share, provided such contributions:

1. Are verifiable in the program's records.
2. Are not included as part of cost sharing in any other federally assisted program.
3. Are necessary and reasonable for proper and efficient accomplishment of the project objectives.
4. Are types of allowable costs.
5. Are not contributions by the federal government.
6. Are provided for in the approved budget of the grant agreement.
7. Are in conformance with all provisions of VOCA, the Federal Guidelines, and the Financial and Administrative Guide for Grants.

Cash Match. Includes cash spent for project-related costs. Allowable cash match must include those costs which are allowable with Federal funds with the exception of the acquisition of land, when applicable. 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 contributed from private sources.
3. Program income and the related interest earned on that program income generated from other projects may be used as match provided it is identified and approved prior to making an award.
4. Funds appropriated by Congress for the activities of any agency of a Tribal government or the Bureau of Indian Affairs performing law enforcement functions on Tribal lands may be used as matching funds.
5. Funds otherwise authorized by law.

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. For example, the value of donated services could be used to comply with match requirements. In-kind contributions by the program, excluding volunteers, will be valued at actual cost.

1. Valuation of Donated Expendable Property

Donated expendable program property includes such items as expendable equipment, office supplies, or training materials. Values assessed to expendable personal property to be included in the cost or matching share should be reasonable and should not exceed the fair market value of the property at the time of donation.

2. Valuation of Donated Non-Expendable Property

The method used for charging matching share may differ for donated non-expendable property, depending upon the purpose of the grant as follows:

- A. If the purpose of the grant is to furnish equipment, etc., to the victims assistance program or otherwise provide a facility, the total value of the donated property may be claimed as a matching share.
- B. If the purpose of the grant is to support program activities that require the use of equipment, etc., use charges or fair market rental value for the equipment may be made.

3. Value of Donated Property

- A. The value of donated non-expendable property shall not exceed the fair market value of equipment and property of the same age and condition at the time of donation.
- B. The value of donated space shall 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 \$10.00 per square foot and 150 square feet per person.
- C. The value of loaned equipment shall not exceed its fair rental value and it shall be documented that it will remain in the program for the entire project period.

4. Value of Volunteer Services

Volunteer services may be furnished by professional and technical personnel, consultants, and skilled and unskilled laborer(s). Volunteered service may be counted as cost sharing or matching if the service is an integral and necessary part of the approved program.

- A. Rates for volunteers should be consistent with the rates paid for similar work in other activities of the state, local government, or non-profit organizations. The rates should be consistent with those paid for similar work in the labor

market in which the program competes for the kind of services involved. Non-professional volunteers' time will be calculated at minimum wage.

- B. When an employer other than the victims assistance subrecipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead cost) provided these services are in the same skill for which the employee is normally paid.

Supporting Records Requirement for Match. The following requirements pertain to the subrecipient's supporting records for in-kind contributions from non-Federal third parties.

1. Volunteer services must be documented at the service delivery site through signed and certified time sheets.
2. The basis for determining the valuation for personal services, materials, equipment, etc., must be documented and maintained at the service delivery rate.

Records of Contributions. Subrecipients should have a record of cost or matching contributions and the record should show the source, amount, and timing of the contribution. Records are subject to audit and exceptions in the same manner and to the same extent as books and records dealing with the receipt and disposition of Federal grant funds. In addition, if the victims assistance program has included within its approved budget, contributions greater than the required matching shares, the program must maintain the same records for the excess contributions.

Equipment Match. Any equipment leased or donated to a program must be operational and usable.

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 under an approved program or project.

Total Cost Budgeting and Accounting. Accounting for all funds awarded by DAC shall be structured and executed on a "total program cost" basis (federal grant funds plus match).

Commingling of Funds. The accounting system must ensure that agency funds are not commingled with funds from other federal agencies. Each award must be accounted for separately. Subrecipients are prohibited from commingling funds on either a program-by-program basis or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another. Where a subrecipient's accounting system cannot comply with this requirement, the subrecipient shall establish a system to provide adequate fund accountability for each project.

Advance Payments. In most cases, an advance payment not to exceed 30 days may be approved by DAC.

Termination of Advance Payments. When a subrecipient organization:

1. demonstrates an unwillingness or inability to attain program or project goals, or;
2. demonstrates unwillingness or inability to establish procedures that will minimize the time elapsing between cash advances and disbursements, or;
3. demonstrates an unwillingness or inability to adhere to guideline requirements or certified assurances, or;
4. is unable to submit reliable and/or timely reports,

DAC may terminate advance payments and require the subrecipient to finance its operations with working capital. Payments to the subrecipient shall then be made for actual cash disbursements, and proof of such disbursements will be required.

Minimum Cash on Hand. Whatever payment method is used, subrecipient organizations should request funds based upon immediate disbursement/reimbursement requirements. Funds will not be made in a lump sum, but rather disbursed over time as project costs are incurred or anticipated. Draw down requests should be timed to ensure that federal cash on hand is the minimum needed for disbursements/reimbursements to be made immediately or within 10 days. Draw downs of excessive cash may result in cancellation of the advance method of funding.

Obligation of Funds. An obligation occurs when funds are encumbered on a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the grant start date and up to the last day of the grant period. Any funds not properly obligated by the subrecipient within the award period will lapse and revert to the DAC. The obligation deadline is the last day of the grant period unless otherwise stipulated. (Example: If the award period is 7/1/05 to 6/30/06, the obligation deadline is 6/30/06 unless the project deadline is extended with prior approval from the DAC; Form A-6 is required to extend a project period).

Expenditure of Funds. Federal funds which have been properly obligated by the end of the award period will have 90 days to be expended. Any funds not expended at the end of the 90-day period will lapse and revert to the DAC. (Example: If the award period is 7/1/05 to 6/30/06, the obligation deadline is 6/30/06 and the expenditure deadline is 9/30/06).

Interest Earned on Advances. Subrecipients may keep interest earned on all advances of Federal grant funds up to \$250.00 per fiscal year. This amount is not per award but from all funds received as a result of Federal programs. Interest over and above the \$250.00 per fiscal year should be made payable to the U.S. Department of Health and Human Services, and sent to the DAC for transmittal to the federal agency.

Supplanting. A written certification must be provided to the DAC that Federal funds will not be used to supplant State or local funds. Federal funds must be used to supplement existing

funds for program activities and not replace those funds which have been appropriated for the same purpose. Potential supplanting will be the subject of application review, as well as pre-award review, post-award monitoring, and audit. If there is a potential presence of supplanting, the applicant or grantee will be required to supply documentation demonstrating that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

VI. PROGRAM INCOME

Use of Program Income. Program income may be used to supplement project costs or reduce project costs, or may be refunded to the federal government.

Sale of Property. For real property purchased in part with federal funds, the subrecipient may be permitted to retain title after compensating the government for its fair share of the property. The federal share of the property shall be computed by applying the percentage of the federal participation in the total cost of the project for which the property was acquired, to the current fair market value of the property.

Royalties. DAC or the subrecipient shall retain all royalties received from copyrights or other works developed under projects or from patents and inventions, unless the terms and conditions of the project provide otherwise or a specific agreement governing such royalties has been negotiated between the Office for Victims of Crime, the DAC, and the subrecipient.

Attorney's Fees and Costs. Income received pursuant to a court-ordered award of attorney's fees or costs, which is received subsequent to completion of the project, is program income to the extent it represents a reimbursement for attorney's fees and costs originally paid under the award. Disposition of such program income is subject to the restrictions on the use of program income set forth in the award.

Registration/Tuition Fees. These types of program income shall be treated in accordance with disposition instructions set forth in the project's terms and conditions.

Other Guidelines. In the absence of other restrictions on disposition contained within the award or the terms and conditions of the project, program income shall be added to the funds committed in the agreement (Addition Method of handling program income). The program income shall be used by the subrecipient for any purpose that furthers the broad objectives of the legislation under which the award was made (i.e., expanding the project or program, continuing the project or program that furthers the broad objectives of the state, obtaining equipment or other assets needed for the project or program, or for other activities that further the statute's objectives). VOCA subrecipients will be responsible for the implementation and compliance of program income guidelines. Technical assistance, where needed, will be provided by the DAC or the Office of the Comptroller.

Accounting for Program Income. All income generated as a direct result of an agency-funded project shall be deemed program income. It must be used for the purposes and under the conditions applicable to the award. The federal portion of program income must be accounted for up to the same ratio of federal participation as funded in the project or program. For example: If a VOCA project has 80% federal funding and 20% non-federal funding, and the total program income earned by the grant is \$10,000.00, \$8,000.00 must be accounted for and reported, by the subrecipient, as program income on Form A-5.

VII. PROCEDURES FOR IMPLEMENTATION OF NEW PROJECTS

New Project Start-Up. Many new projects require several months of start-up activity after they are awarded to become operational. However, no funds will be issued by DAC until the project achieves operational status. In order to determine a project's progress during this start-up period, monthly reports from the project director may be required. If the project is not operational by the contract start-up date, please contact the DAC in writing.

VIII. BUDGET CATEGORIES

1. *Personnel Costs*

Time and Attendance Records. Accurate time and attendance records are required to be maintained on all personnel whose salary is charged to the project, whether paid by matching funds or federal funds. These records should contain the following information and should be maintained in the subrecipient's VOCA project binder for review by the VOCA Project Monitor: date (day, month, and year); employee's name and title; total daily hours charged to the project; employee's signature; signature of supervisor or project director; and the subgrant number.

Personnel Policies and Procedures. The subrecipient should have written personnel policies and procedures with regard to: work hours; holidays, vacation and sick leave; overtime pay and compensatory time (payment of these premiums will be for work performed by grant employees in excess of the established work week which is usually 40 hours; payment of continued overtime is subject to periodic review by DAC); termination; qualifications; and written job descriptions.

Project officials must ensure that employees on the project are not receiving dual compensation (i.e., being paid with the grant funds while receiving salary from another source). Note: If existing personnel are transferred to work on the project from another area, and are paid with federal or matching VOCA funds, additional personnel must be hired to fill the positions vacated as a result of the transfer.

Two or More Federal Grant Programs. Where salaries apply to execution of two or more grant programs or cost activities, proration of costs to each activity must be made based on time and/or effort reports. In cases where two or more grants constitute one

identified activity or program, salary charged to one grant may be allowable after written permission is obtained from the DAC. Salary supplements including severance provisions and other benefits with non-federal funds are prohibited without approval from the DAC.

Extra Work. A state or local government employee may be employed by a subrecipient, in addition to his full-time job, provided the work is performed on the employee's own time and:

1. The compensation is reasonable and consistent with that paid for similar work in other activities of state or local government;
2. The employment arrangement is approved and proper under state or local regulations (no conflict of interest); and
3. The time and/or services provided is supported by adequate documentation.

To avoid problems arising from overtime, holiday pay, night differential, or related payroll regulations, such employment arrangements should normally be made by the subrecipient directly with the individual, unless there has been a transfer or loan of the employee for which his/her regular and overtime services provided are to be charged to or reimbursed by the subrecipient. Overtime and night differential payments are allowed only to the extent the payment for such services is in accordance with the policies of the state or unit(s) of local government and has the approval of the state or the awarding agency, whichever is applicable. Note: The overtime premium should be pro-rated among the jobs and not charged exclusively to federal funds. Payment of these premiums will be for work performed by subaward employees in excess of the established workweek (usually 40 hours). Payment of continued overtime is subject to periodic review by the DAC.

2. SUPPLIES AND OPERATING EXPENSES

Documentation. Receipts or invoices are required for all supplies and operating expenses. Itemized bills should be approved by the project director prior to payment and should reflect the date paid with the check number to avoid duplicate payment or, attach a copy of the check to the source document. The order date should appear on all invoices to verify the cost is allowable. Copies of all transactions should be kept in the VOCA project binder.

Receipts or Invoices. Receipts or invoices in the subgrant file should be included for the following items: supplies; telephone (itemized bill of actual cost for projects sharing phones with another division); duplicating costs (if sharing machine, bill should show number of copies times rate charged); rent; all other operating expenses approved in the budget.

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

Disposition. If there is a residual inventory of supplies exceeding \$5,000.00 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 subrecipient shall compensate the Department of Justice for the federal share of the supplies.

3. **TRAVEL**

General. If travel is part of the subgrant project, the travel must take place within the grant period. Travel expenditures should be recorded on a travel voucher.

Travel Voucher. All expenditures for travel should be substantiated by travel vouchers which contain the following information: name of employee; travel to and from; private car mileage; date and time of departure and return; signature of employee; approval of project director or supervisor; subgrant number.

Documentation of Travel Expenditures. The travel expenditures should be properly documented with the following attached to the voucher: paid motel/hotel receipts; paid car rental bill and justification for renting rather than using public transportation; airplane fare or other commercial transportation ticket; justification if first class accommodations are paid.

Reimbursement Rate Provisions. If meals and lodging at the meeting, workshop, or other objective of travel are furnished as a package plan, reimbursement may be made based upon receipt, but at a daily rate not to exceed the total daily rate otherwise provided in the State Travel Reimbursement Act. Travel status for the purpose of meals and lodging shall be defined as absence from the officer's or employee's home and/or official station area, while performing assigned official duties. Reimbursement for meals and lodging on out-of-state trips shall not begin more than 24 hours before or continue more than 24 hours after the objective of the trip, such as a meeting, conference, etc. ends.

Lodging. Reimbursement for overnight lodging while in official travel status may be made based upon a receipt issued by a hotel, motel, or other public lodging place, as follows: a) \$73.00 per night within Oklahoma County, plus tax, or the actual cost if lower; b) \$68.00 per night within Tulsa, Creek, Osage and Rogers Counties, plus tax, or the actual cost if lower; c) \$60.00 per night in all parts of Oklahoma except the above mentioned counties, plus tax, or the actual cost if lower; or d) out-of-state lodging is based on the current federal rate for that particular location (this information may be

found at www.gsa.gov, click on Per Diem Rates). Those attending meetings 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 sponsor as evidenced by the notice of the meeting will be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged.

Meals and Incidentals. Reimbursement for documented meal and incidental expenses per day, cumulative, while in official state travel status, is as follows: a) not to exceed \$49.00 per day within Oklahoma County; b) not to exceed \$44.00 per day within Tulsa, Creek, Osage and Rogers Counties; and c) not to exceed \$39.00 per day in all other Oklahoma locations. Out-of-state locations are to be based on the current federal rate for that particular location (this information may be found at www.gsa.gov, click on Per Diem Rates). In computing this reimbursement, a day shall be a period of 24 hours. Reimbursement for each ¼ day consisting of 6 hours, or a major fraction thereof (more than 3 hours), may be made at the rate of ¼ of the per diem rate. Provided, however, that no reimbursement for meals and incidentals shall be made for periods that do not include overnight status. Any single expense item of \$25.00 or more requires a receipt. Tips are included in the accounting of meals and incidentals (per diem).

Transportation. In-state travel by privately owned vehicles may be reimbursed at a rate not to exceed 48.5 cents per mile (new rate effective 1/1/2007), based on the distance set forth in the latest Transportation Commission road map. 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 the coach airplane fare. Out-of-state travel reimbursement, regardless of the mode of travel (including privately owned vehicle), shall not exceed that of coach airplane fare. Local transportation (taxicab fares) in-state will be reimbursed only upon justification as to the necessity for their use. Local transportation costs incurred during out-of-state travel may be reimbursed on the basis of an itemization of such costs.

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

Miscellaneous Expenses. Reimbursement claimed for miscellaneous travel expenses, such as communication charges and registration fees for attending workshops, must be itemized. Reimbursement claimed for necessary parking and turnpike fees incurred for official project business must be itemized.

4a. *EQUIPMENT PURCHASES - GOVERNMENT SUBRECIPIENTS*

Title. Records for equipment shall be retained for a period of three years from the date of the disposition or replacement or transfer at the discretion of the DAC. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall

be retained until all litigations, claims, or audit findings involving the records have been resolved.

Use. Government subrecipients shall use equipment in accordance with the following requirements:

1. Equipment must be used by the subrecipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a federal agency.
2. The subrecipient shall also make equipment available for use on other projects or programs currently or previously supported by the federal government, providing such use does not interfere with the work on the projects or programs for which it was originally acquired. First preference for other use shall be given to other programs or projects supported with VOCA funds. User fees should be considered and treated as program income to the project, if appropriate.
3. Notwithstanding program income, the subrecipient shall not use equipment acquired with federal funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted by federal statute.
4. When acquiring replacement equipment, subrecipients may use the equipment to be replaced as a trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment subject to the written approval of the DAC.

Management. Government subrecipient procedures for managing equipment (including replacement), whether acquired in whole or in part with project funds, will, at a minimum, meet the following requirements:

1. Property records must be maintained which include:
 - A. Description of property;
 - B. Serial number or other identification number;
 - C. Source of the property;
 - D. Identification of who holds the title;

- E. Acquisition date;
 - F. Cost of the property;
 - G. Percentage of federal participation in the cost of property;
 - H. Location of property;
 - I. Use and condition of the property; and
 - J. Disposition data with the disposal date and sale price.
2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
 3. A control system must exist to ensure adequate safeguards to prevent loss, damage, or theft of property. Any loss, damage, or theft shall be investigated by the DAC and the subrecipient, as appropriate.
 4. Adequate maintenance procedures must exist to keep the property in good condition.
 5. If the DAC or subrecipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Disposition. Government subrecipients shall dispose of the equipment when original or replacement equipment acquired under the award or subaward is no longer needed for the original project or program, or for other activities currently or previously supported by the federal funding agency. Disposition of the equipment will be made as follows:

1. Items with a current per unit fair market value of less than \$5,000.00 may be retained, sold, or otherwise disposed of with no further obligation to the DAC.
2. Items with a current per unit fair market value in excess of \$5,000.00 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment. Seller is also eligible for sale costs.
3. In cases where a subrecipient fails to take appropriate disposition actions, the DAC may direct what disposition action the sub-recipient should take.

4b. ***EQUIPMENT PURCHASES – NON-GOVERNMENT SUBRECIPIENTS***

Disposition. Non-government subrecipient organizations shall adhere to the following disposition requirements for non-expendable personal property:

1. A subrecipient may use non-expendable personal property with a fair market value of less than \$5,000.00 for any activities without reimbursement to the federal government or sell the property and retain the proceeds.
2. A subrecipient may retain non-expendable personal property with a fair market value of \$5,000.00 or more for other uses provided that compensation is made to the Dept. of Justice by applying the percentage of federal participation in the cost of the original project or program to the current fair market value of the property. If the subrecipient has no need for the property, the subrecipient shall request disposition instructions from the DAC.

5. ***Space***

General. The cost of space in privately or publicly owned buildings used for the benefit of the program is allowable subject to these conditions: 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; and the cost of space procured for program usage may not be charged to the program for the period of non-occupancy, without authorization from the federal awarding agency.

Rental Cost. The rental cost of space in a privately-owned building is allowable. Rent cannot be paid if the building is owned by the subrecipient or if the subrecipient has a substantial financial interest in the property. However, the cost of ownership is an allowable expense. 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 were originally financed by the federal government.

Maintenance and Operation. The cost of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, normal repairs and alterations, and the like are allowable to the extent they are not otherwise included in rental or other charges for space.

Rearrangements and Alterations. Costs incurred for rearrangement and alteration of facilities required specifically for the project or those that materially increase the value or useful life of the facility are allowable when specifically approved by the DAC.

Depreciation and Use Allowances on Publicly Owned Buildings. Depreciation or a use allowance on idle or excess facilities is NOT ALLOWABLE, except when specifically authorized by the federal awarding agency.

Occupancy of Space Under Rental-Purchase or a Lease with Option-to-Purchase Agreement. The cost of space procured under such arrangements is allowable when specifically approved by the DAC. This type of arrangement may require application of special matching share requirements under construction programs. The cost of space procured under such arrangements is allowable when specifically approved by the DAC. This type of arrangement may require application of special matching share requirements under construction programs.

6. Procurement of Goods or Services

Competitive Procurement. Technically, all procurement should be competitive and meet state or local requirements. However, small purchases under \$2,500.00 need not be advertised unless required by state or local law or regulation. Informal solicitation of competition should be secured and negotiations conducted to assure reasonableness of price. Price solicitation can be done orally when special specifications are involved, when a large number of items are included in one purchase, or when written questions are not considered to be economical. Notation of oral bids should be in the file. However, bids in writing are preferable and protect all parties concerned. Formal procurements can be in the form of an Invitation for Bid or a Request for Proposal. The following information tells when each should be used. For further details on how to prepare an Invitation for Bid or a Request for Proposal, please contact DAC. Usually, an Invitation for Bid would be used for equipment purchases. Purchases through state contract are exempt from these procedures.

When should Invitation for Bid be used?

1. Procurement is for \$2,500.00 or more (unless lower limit has been established by the subrecipient's governing agency or item is available on state contract).
2. A complete, explicit, adequate, and realistic specification or purchase description must be available upon which there can be competitive bidding for identical materials or services.
3. Two or more capable sources must be available to assure full and free competition.

4. There must be sufficient time to carry out the necessary procedures.
5. The selection of the successful bidder can be made on the basis of price alone, provided the bidder is otherwise qualified as responsive and responsible.
6. The contract shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement.
7. Specifications meeting the qualifications described can be provided for most commercial-type goods, services and for supplies and equipment that are not subject to rapid or drastic technological changes.

When should request for proposals be used?

1. The contract is for personnel or professional services, or for any service rendered by a university, college, or other institution.
2. The specifications for the services cannot be defined with enough detail to allow for an Invitation to Bid.
3. Two or more capable sources must be available to assure full and free competition.
4. There must be sufficient time to carry out the necessary procedures.
5. The contract shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement.

Non-competitive Procurement. Justification for not bidding an item for over \$2,500.00 or for not accepting the lowest bid must follow state or local procedure and be documented in the subgrant file. Sole source procurement of any item or group of related items from the same source between \$2,500.00 and \$100,000.00 must have prior DAC approval, and if over \$100,000.00, it must have federal approval. Follow the outline for sole source justification. Competitive procurements for which only one bid or proposal is received is deemed to be a sole source procurement. However, procurements made through the state central purchasing agency (state contract) and equipment purchased as a result of federal funding may be purchased under the General Services Administration contract for federal surplus property without going out on bid or doing sole source justification.

Sole Source Justification Must include:

1. A brief description of the program and what is being contracted for;

2. Explanation of why it is necessary to contract non-competitively, to include the following:
 - A. Expertise of contractor.
 - B. Management.
 - C. Responsiveness.
 - D. Knowledge of the program.
 - E. Experience of contractor's personnel.
3. Time Constraints
 - A. When contractual coverage is required and why.
 - B. Impact of program if dates are not met.
 - C. How long would it take another contractor to reach the same level of competence.
4. Uniqueness of Contractor's Capabilities
5. Other points that should be covered to substantiate the request.
6. A declaration that this action is in the best interest of the organization.

7. *Professional Services (Contractual/Consultant)*

Daily Records. Adequate daily records should be maintained to prove the contractor has in fact performed the services. Record of expenditures should contain the following information:

1. Hours worked on project and dates worked.
2. Services performed.
3. Records of actual supplies and operating supplies included in the contract.

Contracts. A written contract should be in the file for all cooperative, working agreements and professional services. All contracts for evaluation services and all other contracts for over \$2,500.00 must be reviewed and approved by DAC prior to being

signed. This policy may be adjusted in certain cases through a condition in the Subgrant Award Contract. All contracts for services and working agreements should include at least the following provisions:

1. The contracting parties.
2. Statement of work expressed in clear, concise terms for tasks to be accomplished.
 - A. The specific duties of the contractor should be stated in such a way that he/she knows what is required and to permit the subrecipient to determine that the requirements have been met before making payment.
 - B. The tasks, when accomplished, should produce results consistent with the project objectives.
 - C. Sentences should be written so that there is no question of whether the contractor is to be obligated, i.e., "the contractor shall do this work," not "this work will be required."
 - D. There should be dates for the key things the contractor is to do and for each thing he/she is to deliver. If elapsed time is used, calendar days or workdays should be specified.
 - E. Persons or the committee who will approve reports or specific accomplishments should be specified, and part of the contract price should be contingent upon that approval.
 - F. Proper reference documents should be shown.
 - G. Avoid inference concerning a requirement and eliminate extraneous material.
 - H. The rates of payments should be specified and should be determined in accordance with Office of Justice Programs (OJP) guidelines which include:
 - 1) Compensation for individual consultant services is to be reasonable and consistent with that paid for similar services in the market place. The maximum rate for consultants is \$450.00 for an 8-hour day (excluding travel and subsistence costs). Anything over this amount requires prior approval from DAC and additional justification.

- 2) Compensation is reasonable and consistent with that paid for similar work.
 - 3) Dual compensation is not involved.
 - 4) Transportation and subsistence costs for travel do not exceed state travel regulations.
 - 5) Contract with non-government organizations shall ensure that the fixed fee or profit allowance does not exceed ten percent of total estimated costs and indirect costs or overhead charges in cost-type arrangements are based on an audited or negotiated rate previously approved by a state or federal agency or are based on an indirect cost submission, reflecting actual costs experienced during the contractor's last annual or other recently completed fiscal period.
3. Contracts in excess of \$2,500.00 shall contain certain suitable provisions for termination by the subrecipient, including the manner by which it will be affected and the basis for settlement such as termination for default performance or termination for convenience of subrecipient (e.g., discontinuance of federal grant).
 4. Compensation and method of payment.
 5. The subrecipient, the federal funding agency, the Comptroller General of the U.S., or any of their duly authorized representatives, shall have access for purpose of audit and examination, to any records pertinent to the grant.
 6. The subrecipient and the federal funding agency shall have irrevocable non-exclusive royalty-free license to any invention and to reproduce, publish, and use any materials, in whole or in part, and authorize others to do so which are produced under this contract.
 7. For contracts in excess of \$500,000.00, each contractor or sub-contractor shall be required to have an Affirmative Action Plan.

8. *UNALLOWABLE COSTS*

1. Costs incurred in applying for this subgrant.
2. Costs incurred outside the project beginning and end dates.
3. Contingencies or miscellaneous.

4. Losses arising from uncollectable accounts and other claims.
5. Contributions and donations.
6. Entertainment.
7. Fines and penalties.
8. Interest and other financial costs.
9. Fund-raising.
10. Land acquisition.
11. Military type equipment.
12. Construction.

IX. REPORTING REQUIREMENTS

Request for Funds. Subrecipients will request funds on form A-3 "Monthly Request for Funds." This form must be submitted to request grant funds. The request should be an estimate of needs for the month of the drawdown request and a report of expenditures for the previous month. The form should be completed in full and received by the DAC prior to the 15th of each month, unless otherwise directed by the DAC. Should the 15th of the month fall on a weekend or holiday, the form will be due the preceding workday. Warrants will be mailed from DAC within approximately fifteen (15) days following the drawdown date each month. Any request not received by the 15th of the month will not be processed for payment, and the request will have to be resubmitted with the next monthly request. **Note:** The request for funds form should be submitted, even when no federal funds are being requested, and expenditures for the previous month should be reported. The form may be faxed to (405) 264-5097.

Quarterly Fiscal Report. After the close of each calendar quarter, a "Quarterly Report of Expenditures" will be generated at the DAC and mailed to the subrecipient. The Financial Officer and Project Director should review the report and compare expenditures in each budget category with those shown in the subrecipient's ledger and receipts. Each budget category should balance. After verification is complete, the form should be signed, notarized, and received at the DAC before the following due dates: April 30, July 31, October 31, and January 31, unless otherwise noted. However, if all project funds have not been expended by the end of the final quarter, a subsequent final report, indicating final expenditures will be prepared and submitted to the subrecipient for review and signature. Failure to review, sign, and return the quarterly report by the deadline can result in termination of a subgrant or effect future funding.

The quarterly report is generated from expenditure information provided on the request for funds form (A-3). Accuracy in reporting expenditures is crucial. The quarterly report informs DAC and the subrecipient about the rate at which the project funds are being spent and the expenditure categories in which the funds are being used. Irregularities may indicate the need for a budget revision or an extension of the subgrant period, and may also indicate program problems. Each project is responsible for keeping a ledger which fully discloses the amount and disposition of the proceeds of the subgrant and the total cost of the project for which the subgrant is awarded (grant + match).

Bookkeeping procedures developed by each subrecipient must provide for the accurate and timely recording of the receipt of funds, expenditures, and unexpended balances. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit, of the accuracy of the records and the allowability of expenditures charged to grant funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the questionable cost will be disallowed. The subrecipient shall reimburse DAC for the amount of any disallowed costs.

Performance Report. The performance report (form A-10) is due no later than 90 days after the close of the grant period, original or extended.

Budget Revisions. The subgrantee must secure prior written approval from DAC for any increase or decrease in any approved budget category (grant or match), if a line item is to be added, or if an existing line item is to be deleted. Form A-6, "Request for Revision of Approved Subgrant," must be submitted to the DAC for final determination. The form must have an accompanying statement containing the following information:

1. Reason for excess funds in one or more categories.
2. Reason funds can be better spent in another category.
3. Effect the approval or denial of the revision will have on the project objectives.

Changes within the same category do not require a form. However, a letter explaining any significant changes from the approved budget should be submitted to the DAC. New line items must also receive prior approval. Funds cannot be shifted to non-approved categories without prior approval from the DAC. This form may be faxed to (405) 264-5097 and does require the signature of the Project Director.

Grant Extensions. If the project cannot be completed within the period specified (usually 12 months) in the Subgrant Award Contract, the subrecipient must submit form A-6, along with a written request which explains the programmatic reason for the extension of the subgrant period. The request should be sent to the DAC for approval at least 60 days prior to the expiration date of the subgrant period. The request should state the reason for the excess funds and the desirability of keeping the subgrant open.

X. GRANT CLOSE-OUT PROCEDURES/REFUNDS

If a subrecipient extension request is not submitted and approved prior to the expiration date of the project, per an extension letter and form A-6, unspent funds will be forfeited and returned to DAC, payable to the District Attorneys Council Fund 420. No new financial obligations will be allowed after the expiration of the project. At the end of the subgrant period, the subrecipient should use the following procedures to closeout the subgrant:

1. Expenses encumbered, but not paid prior to the expiration date will be shown as unpaid obligations on the last quarterly report. These must be paid within 90 days of the project expiration date or they will be disallowed.
2. The unpaid obligations which have been paid within the 90 days which were not obligated at the expiration date and/or were not expended within the 90 days must be returned to DAC.
3. Form A-10 "VOCA Performance Report" must be submitted within 90 days after the completion of the grant period.
4. Audit reports are due within 13 months of the end of the project period.
6. The federal share of funds remaining at the end of 90 days which were not obligated at the expiration date and/or were not expended within the 90 days must be returned to DAC.
7. Unmet matching funds must be returned to DAC.

XI. AUDIT REQUIREMENTS

Audit Objectives. Awards are subject to conditions of fiscal, program, and general administration to which the subrecipient expressly agrees. Accordingly, the audit objective is to review the subrecipient's administration of funds and required non-Federal contributions for the purpose of determining whether the recipient 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 federal financial assistance programs in compliance with applicable laws and regulations.
2. Prepared financial statements which are presented fairly, in accordance with generally accepted accounting principles.
3. Prepared financial reports (which may include Monthly Request for Funds, Budget Revisions, and Quarterly Report of Expenditures), 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 of 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.

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. Non-federal entities that expend less than \$500,000.00 a year in Federal awards are exempt from Federal audit requirements for that year.

Audit Reporting Requirements. Independent auditors should follow the requirements prescribed in OMB Circular A-133, as amended.

If the auditor becomes aware of illegal acts or other irregularities, prompt notice shall be given to the subrecipient management officials above the level of involvement. The subrecipient, in turn, shall promptly notify the DAC and the cognizant Federal agency of the illegal acts or irregularities and of proposed and actual actions, if any.

Subrecipients should submit form A-9, "Statement of Subgrant Audit Arrangements" with the award contract.

Top 10 Monitoring and Audit Findings:

1. Untimely report submissions;
2. Lack of documentation;
3. Inadequate time/effort reports for federally funded personnel, match personnel, and volunteers;
4. Inaccurate reports (Monthly Request for Funds and Quarterly Report);
5. Commingling of funds;
7. Excess cash on hand;
7. Unallowable costs;
8. Inappropriate or unauthorized changes; and
9. Conflicts of interest;
10. Failure to meet program goals and objectives.

XI. SUSPENSION OF FUNDING

The DAC Director of Victims Services shall, after reasonable notice, terminate or suspend funding for a subrecipient organization that fails to conform to the requirements or statutory objectives of the appropriate Act, or that fails to comply substantially with the Crime Victim Assistance Program, and the Federal Regulations promulgated thereunder; including the terms and conditions of the subgrant award.

Assignment of Subcontract. The subgrantee shall neither assign the responsibility of the contract to another party, nor subcontract for any work contemplated under the contract without prior written approval from DAC.

Default. Failure to perform according to the contract shall be cause for the subrecipient to be found in default in which event, any and all procurement costs may be charged against the subrecipient. Please note that this action will only be taken as a last resort. Whenever possible, and it is in the best interest of the VOCA Board, assistance will be provided to an agency to prevent such action.

Termination. Subrecipients will be given a warning, then suspension, and a set number of days to correct a problem with contract compliance. If a subrecipient fails to take appropriate, corrective action, the VOCA Board or DAC Director of Victims Services may, by written notice to the subrecipient, terminate the contract 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. If applicable, the VOCA Board or DAC Director of Victims Services may employ default provisions. The VOCA Board or DAC Director of Victims Services may waive, in writing, breach of any provision of a contract. Waiver of breach of any provision of the contract shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of the contract.

Criminal Penalties. Whoever knowingly and wilfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in an application for assistance submitted pursuant to the Victim Assistance Act, or in any records required to be maintained pursuant to this Act, shall be subject to prosecution. Whoever embezzles, wilfully misapplies, steals, or obtains by fraud any funds, assets, or property which are the subject of a subgrant 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, wilfully misapplied, stolen, or obtained by fraud, shall be subject to prosecution.

Disclosure of Federal Participation Requirement. All subrecipients receiving Federal funds must clearly state the percentage of the total cost of the project which will be financed with federal money and the dollar amount of federal funds for the project. All subrecipients shall make this statement when issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects funded in whole or in part with federal funds.

APPENDIX

Authorization to Sign Project Documents

Property Inventory (Equipment Purchases)

Victim Assistance Monthly Request for Funds (A-3 form) - *An Excel Spreadsheet program may be used in lieu of paper copies.*

Project Income Quarterly Status Report

Request for Revision of Approved Subgrant Budget (A-6 form) - *This form is included in the above mentioned Excel Spreadsheet program.*

VOCA Performance Report (A-10 form)

Crime Victim Assistance Program Guidelines

Crime Victims Compensation Claim Form

VOCA Binder Instructions

NOTE:

Quarterly Reports are generated by DAC and mailed to each subrecipient. These forms must be signed, notarized and returned to DAC by a specified date.

Travel expenses must be documented with claims/vouchers. Subgrantees may create their own form, but the following information must be included: name of person who traveled; mileage and rate; per diem (if applicable); date of travel; location of travel; and reason for travel.

Time sheets for VOCA funded personnel, match personnel, and volunteers may also be created by the subrecipient. If the employee is split-funded (paid with funds in addition to VOCA), please specify the number of hours spent on VOCA related duties/activities and what those activities were. Also, please keep track of volunteers by the number of hours and the activities that they perform.