GRANT MANUAL

Office of Justice Programs
Minnesota Department of Public Safety

2013

TABLE OF CONTENTS

Page

I. Introduction to Use 1

II. General Administration of Grant Agreements

A. Grantee Responsibilities and Rights 2

B. The Grant Agreement 3-4

C. Grant Agreement Processing..... 5

D. Certifications and Other Grant Requirements 6

E. Conflict of Interest 7

III. Program Operations

A. Program Modifications..... 8

B. Program Reporting and Publicity 9

IV. Financial Management

A. Requirements and Standards 10-11

B. Record/Client Record Retention 12

C. Fiscal Agents.....13

D. Audits 14

V. General Accounting

A. Cash Management 15

B. Disbursements 16-17

C. Payroll/Personnel Records 18

D. Employee vs. Independent Contractor 19

E. Program Income 20

F. Procurement/Purchasing 21

G. Property 22-23

H. Match 24

I. Non-Supplant Requirement 25

VI. Allowable Costs

A. Allocation of Costs 26
B. Costs Generally Allowable 27-28
C. Costs Generally Unallowable 29
D. Consultant Services 30
E. Contracting for Services 31

VII. Grant Payments

A. Advance Payments 32
B. Conformance to Budget 33
C. Budget Revisions 34
D. Grant Period Extensions 35
E. Financial Reporting 36
F. Grant Closeouts 37

VIII. Grant Monitoring 38

IX. Civil Rights Grantee Responsibilities (NEW) 39-41

APPENDICES

A. DPS Discrimination/Discriminatory Harassment Policy & Complaint Form
B. State of Minnesota Travel Policies
C. Top Findings from Site Visits and Desk Reviews
D. Grant Monitoring Overview Chart – Crime Victim Services
E. Grant Monitoring Overview Chart – Justice & Community
F. Civil Rights Compliance Self Assessment Questionnaire
G. EEOP Decision Grid

An Adobe PDF version if this manual is available at:
https://dps.mn.gov/divisions/ojp/grants/Documents/Grant_Manual.pdf

This manual is effective as of March, 2013

I. INTRODUCTION TO USE

The Minnesota Office of Justice Programs (OJP) staff wants your program to be successful. This manual is one tool to assist you in reaching that goal. Grant program and administrative staff should review this manual and keep it handy for reference.

OJP is responsible for monitoring grantee compliance with federal and state guidelines. The provisions of this manual apply to all recipients of state and federal funding administered by OJP. This manual provides basic information to properly record, control and monitor grant funds. Circulars published by the Federal Office of Management & Budget, the Federal OJP Financial Guide and policy memoranda, the Minnesota Office of Grants Management policies, as well as other federal and state regulations were used in preparing this manual.

SPECIAL FEDERAL CONDITIONS

Grants of federal funds through OJP are governed by this manual and appropriate federal laws, rules, and regulations which supersede this manual if different from this guideline. In general, grants through the U.S. Department of Justice are governed by the Office of Justice Programs (OJP) Financial Guide. In some cases there are additional conditions that appear in the award document we receive from the federal government. As applicable, we may pass some of those conditions on to recipients of those funds.

Guidance may be found in a variety of applicable Office of Management and Budget (OMB) circulars and Government-Wide Common Rules in the Code of Federal Regulations (CFRs). The Department of Justice publishes its regulations in Title 28 of the CFR.

Where a specific federal requirement applies in a topic area, the federal requirement will be highlighted in a box such as this one.

Current versions of referenced documents are available via the internet at:

- **Office of Justice Programs Finance Guide**
  http://www.ojp.usdoj.gov/financialguide/
- **OMB Circulars A-87: Cost Principles for State and Local Units of Governments**
  http://www.whitehouse.gov/omb/circulars_a087_2004/
- **OMB Circular A-122: Cost Principles for Non-Profit Organizations**
  http://www.whitehouse.gov/omb/circulars_a122_2004/
- **OMB Circular A-133: Audits of States, Local Governments, and Non-Profit Organizations**
  http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf
- **OMB Circular A-133 Compliance Supplement of 2012**
  http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2012

II. GENERAL ADMINISTRATION OF GRANT AGREEMENTS

A. Grantee Responsibilities and Rights

Grants are funds made available and used for a public purpose. The policies and procedures contained in this manual will help you understand your responsibilities as a grantee and prevent you from operating in a manner which could adversely affect the public's confidence in your project.

OJP grants have the overall goal of improving public safety and providing effective services for crime victims. It is important for grantees and grant managers to work together in partnership towards this goal. The grant manager's primary role is to ensure compliance with special conditions and legal requirements and review progress and financial reports to ensure that you receive proper reimbursements. Your grant manager is also a resource for both technical and programmatic information.

State staff is obligated to provide you with respectful, timely and accurate responses to your needs. You have the right to the following expectations:

- Familiarity with your project and its objectives.
- A prompt reply to your written and verbal requests for information or action.
- Timely processing of your requests for reimbursement. Complete and accurate information.
- Assistance which respects your right to best determine needs at the local level.

To ensure a positive, productive working relationship with your grant manager grantees should:

- Keep grant manager informed of any problems you are having with your grant, especially if problems will affect expenditures or program quality.
- Complete quarterly and financial reports accurately and on time, be sure to answer all questions and include successes and failures you are experiencing.
- Read and fully understand your grant agreement contract and related policies.
- Contact your grant manager with any questions or concerns.
- Contact your grant manager immediately in the case of any suspected or identified financial irregularities or if there are any important changes in your project, such as key personnel changes.

II. GENERAL ADMINISTRATION OF GRANT $*5((0(176
B. The Grant Agreement

The Grant Agreement is a legal document (contract) which outlines the conditions you must meet to receive funding for your project. The grant contract consists of the following items:

1. The Grant Agreement - a brief document signed by the State and grantee which includes the following:
   - Name of grantee
   - Grantee's Authorized Representative
   - State's Authorized Representative
   - Type and amount of funds
   - Dates of grant period
   - Grant number
   - General terms of grant

2. The Terms and Conditions - a list of terms that grantees agree to abide by which are found in your e-grants file and on our website. These address such issues as:
   - Payment terms and conditions
   - Liability requirements
   - Audits
   - Government data practices
   - Workers' Compensation
   - Termination of grant
   - Data disclosure, etc.

3. Fund specific Program Guidelines - a list of requirements that grantees agree to abide by which are found in your e-grants file and on our website. These address requirements specific to your funding such as:
   - Lobbying restrictions
   - Debarment and Suspension
   - Drug-Free Workplace
   - Financial requirements
   - Reporting requirements – reports and due dates
   - Evaluation
   - Any other requirements.

4. The Grant Agreement includes, by reference, the application for funding and any OJP program standards or work plan and budget.

Program Standards – Most programs funded by Crime Victims Services (CVS) are required to abide by a set of standard expectations regarding the delivery of services, program activities and service philosophy. These requirements are called "program standards" and they were developed by crime victim advisory councils. If program standards apply to the services you deliver, you will be required to agree to them as part of your application and they will be referenced in your grant agreement.

If a program uses grant funds for activities beyond those required by the standards, an agreed upon work plan will be developed and made a part of the contractual agreement.

Work Plan – Where activities and standards have not been pre-determined, a grant agreement will require an approved work plan. The work plan typically addresses the following: goals and objectives of the program, your target population, number of individuals

to be served, tasks to be accomplished, services to be provided, time frames, key collaborators, responsible parties and evaluation strategies.

Your final work plan will be negotiated with your grant manager. It is referenced in your contract and is an official part of the grant file. You are obligated to utilize grant funds to carry out your work plan in the manner specified unless work plan revisions have been approved.

Budget- The grant agreement will be finalized with an approved line item budget. Budget items must be reasonable based upon marketplace considerations. The budget should include the basis for computing all costs. The grant budget should reflect specific project activities only, not the overall agency/organization budget, and correlate with work plan activities.

A budget is designed to project costs needed to operate your program. Reimbursement is not guaranteed for all costs outlined in the budget, but only for actual expenditures. As an example, your approved budget may include an estimate for a supervisor to devote 25% of their time (.25 FTE) to a project, but in fact, they end up spending fewer hours supporting the initiative. Only those hours spent to support the project are costs eligible for reimbursement.

Important - Please carefully read the grant agreement and attachments and refer to this manual to ensure you understand the conditions you must meet to manage your project with the funds granted.

It is very important to note that the Grant Agreement specifies grantees are expected to comply with all applicable federal, state and local laws, rules and regulations.

GRANT AGREEMENT PROCESSING

Execution of Grant Agreements - The grant agreement is "fully executed," that is finalized, when the signature(s) of the authorized individuals from the grantee organization and OJP are obtained and the final Department of Public Safety review is complete. A copy of the fully executed contract will be uploaded to the grantee's e-grants file.

Grant Agreement Authorized Signatures - State law defines which city and county officials are authorized to sign contracts, including grant agreements, as follows:

Statutory Cities: Mayor and City Clerk
Charter Rule Cities: As defined in the charter
Counties: Board Chairperson (as attested to by the Clerk of the County Board)

If cities or counties wish to designate someone else to sign the grant contract with OJP, they must pass a council/board resolution. A copy of the resolution must be submitted along with the signed grant contract to verify the person(s) authorized to sign the contract.

For nonprofit organizations the officer(s) or employee(s) authorized to sign contracts is typically detailed in the by-laws of the organization. If not specified in the by-laws, or if the organization wishes to have someone else sign, a board resolution is required to designate that person an authorized signer. Nonprofit organizations are required to submit their by-laws or a board resolution along with the signed grant contract to verify the person(s) authorized to sign.

Authorized Representative - The grant agreement names an individual from the grantee organization as the authorized representative for the grant program. The individual does not need to be the same person authorized to sign the grant contract. The individual named is the primary contact for the program. If the grantee's authorized representative changes at any time during the contract period, the grantee must immediately notify their grant manager and update member information in e-grants.

Commencement of Grant Activities - Grant activities and related expenditures may not begin until the agreed upon start date of the grant.

Delay in Grant Activities – If the grant activities do not begin within 30 calendar days of the starting date of the grant agreement an explanation for the delay and the expected beginning date must be submitted in writing to your grant manager. Grants with no activity occurring within 60 calendar days of the start date may be terminated. Delays to the start of project activities do not guarantee an extension to the end date.

All federally funded OJP grantees must comply with the following:

Federal Funding Accountability and Transparency Act of 2006 (FFATA) – data for this federal website will be collected from grantees as part of grant agreement process.

Registration in the federal System for Award Management (SAM)
https://www.sam.gov

Registration in SAM requires a DUNS number; obtained at
www.dunandbradstreet.com

Civil Rights Training Acknowledgement Form (see Chapter IX for more information)

Equal Employment Opportunity Plan (EEOP) (see Chapter IX for more information)

OTHER REQUIREMENTS for ALL GRANTEES

- ✓ Grantees will need to register as a vendor in the Statewide Integrated Financial Tracking System (SWIFT) in order to receive payments from OJP. Registration information can be found at:
https://supplier.swift.state.mn.us/psp/fmssupap/SUPPLIER/ERP/h/?tab=SUP_GUEST

- ✓ Grantees will need to register in e-grants, the OJP grants management system.
https://app.dps.mn.gov/EGrants/Login2.aspx?sysID=0&APPTHEME=MNDPS

E. Conflict of Interest

While the following guidelines apply to federal awards, OJP applies the same principles to all OJP grant recipients. The federal Financial Guide addresses Conflict of Interest as follows:

You are required to use Federal funds in the best interest of your award program. Your decisions related to these funds must be free of hidden personal or organizational conflicts of interest, both in advice and in appearance.

■Advice. In the use of award funds (direct or indirect), a recipient or subrecipent should not participate in any decisions, approval, disapproval, recommendations, investigation decisions, or any other proceeding concerning any of the following people or groups:
•An immediate family member;
•A partner;
•An organization in which they are serving as an officer, director, trustee, partner, or employee;
•Any person or organization with whom they are negotiating or who has an arrangement concerning prospective employment, has a financial interest, or for other reasons can have less than an unbiased transaction with the recipient or subrecipient.

■Appearance. In the use of award funds, you and your subrecipients should avoid any action which might result in, or create the appearance of:

•Using your official position for private gain;
•Giving special treatment to any person;
•Losing complete independence or objectivity;
•Making an official decision outside official channels; or
•Affecting negatively the confidence of the public in the integrity of the Government or the program.
Typical conflict-of-interest issues include:

■Less-than-arm's-length transactions—the act of purchasing goods or services or hiring an individual from a related party such as a family member or a business associated with an employee of the recipient.

■Not using fair and transparent processes for subrecipient decisions and vendor selection. These processes must be free of undue influence, and fair and transparent. Most procurement requires full and open competition.

■Consultants can play an important role in award programs; however, as a recipient or subrecipient, you must ensure that their work for you conforms to all regulations governing a fair consultant selection process, reasonable pay rates, and specific verifiable work product.

III. PROGRAM OPERATIONS

A. Program Modifications

Remember that you are obligated to carry out the activities in the approved work plan. However, it may become necessary to modify your work plan as your project is underway. Unsuccessful strategies should not be continued. Please discuss any challenges or barriers with your grant manager. The following changes are considered "material" and should be submitted in writing to your grant manager for approval prior to implementation: expanding your geographic area, changing organizations involved in activities (expansion, contraction or revision), revising activities and time lines, amending the number of activities or number of individuals you propose to serve or revising your target population.

EXAMPLE: Your project proposed to serve one hundred 16 to 18-year-old first-time juvenile offenders by providing a diversion project. The high school is a key collaborator/service deliverer in your program. You find that most of the individuals needing this service are 12 to 14-year-old middle-school students. As you may propose to change both your target population and one or more of your key partners, you should discuss changing your focus with your grant manager.

PROGRAM REPORTING

OJP is required to submit reports to the Minnesota State Legislature and the U.S. Departments of Justice and Health and Human Services that detail the types of projects funded and their demonstrated effectiveness. We gather information for these reports from grantees' narrative and statistics progress reports. Progress reports also provide a basis for monitoring discussions with your grant manager.

Progress reports detail the progress you have made on achieving the program goals and objectives in your work plan. They provide information on the successes and challenges you are experiencing. **NOTE:** A sample of a progress report can be obtained from your grant manager.

Different grant programs have different timelines for their reports. These requirements are detailed in the Program Guidelines for your grant. Please be sure to review these and submit required reports on time.

NOTE: You are encouraged to submit any information at any time that speaks to the success of your program. Publicity (news articles, awards, etc.), survey results and letters of support are always useful to your grant manager in understanding the impact of your project.

IMPORTANT: Grants may be suspended if required reports are not provided in a timely matter. Expenditures will not be reimbursed if progress reports are overdue.

PROGRAM PUBLICITY

Grantees are encouraged to promote the positive activities and outcomes of their programs. There may be requirements in your grant contract related to identifying the source of the funding for your project; these would be listed in the Program Guidelines. Please review your grant contract document and follow any applicable instructions. This would apply to posters, fliers, press releases, and any other written materials related to the funded program.

Grantees must not claim that the state or the federal government endorses its products or services.

IV. FINANCIAL MANAGEMENT
A. Requirements and Standards

Grantees are responsible for the expenditure of public funds in accordance with the public trust and congressional and legislative intent. The grantee must establish and maintain financial management controls and procedures which ensure that grant, matching, and program income funds are expended properly.

Grantees must be able to provide adequate documentation in support of any request for reimbursement. Grantees must have records that document the amounts and use of all grant funds provided by OJP, the total cost of the program or project being funded, the amount or portion of program costs supported by other sources and any other records required to document the goods and/or services purchased for the funded program. In addition to maintaining an adequate accounting/financial management system, grantees are responsible for promptly reporting any circumstances surrounding any financial irregularities discovered or suspected. Failure to report known irregularities may result in termination of the grant contract and/or other action on the part of OJP.

Fiscal control and accounting procedures must be sufficient to prepare required reports and allow for the tracking of funds that ensures funds have been used in conformance with applicable laws, rules and regulations. Financial management systems must therefore meet the following standards (based upon 28 CFR Sec 66.20):

- **Financial Reporting.** Accurate, current and complete disclosure of the financial results of grant supported activities in accordance with specified procedures.

- **Accounting Records.** Grantees must maintain records which adequately identify the source and use of funds for grant-funded activities. Records must contain information about the grant award and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures and income.

- **Internal Control.** Effective control and accountability must be maintained for all grant cash, real and personal property and other assets to ensure that all such property is safeguarded and used solely for authorized purposes. A sound internal control system will also verify the accuracy of accounting information, promote operational efficiency and encourage adherence to management policies and generally accepted accounting principles and have written policies and procedures governing accounting/financial management operations.

- **Budget Control.** Actual expenditures must be compared with budgeted amounts.

- **Allowable Cost.** Applicable cost principles, agency program regulations and the terms of grant contracts will be followed in determining whether costs are allowable.

- **Source Documentation.** Funds claimed on the financial reporting form must be supported by documentation such as canceled checks, paid bills, payroll and time and attendance records, grant award documents and correspondence, etc. If documentation is inadequate to determine whether an expense is allowable, the questionable cost will be **disallowed.**

- **Cash Management.** See Section VI-A.

IV. FINANCIAL MANAGEMENT
A. Requirements and Standards

- **Commingling of Funds -** Federal (and state) agencies do not require physical segregation of cash deposits. However, funds specifically budgeted and/or received for one project may not be used to support another. The grantee shall establish a system to provide adequate fund accountability for each project where grant funds have been awarded.

- **Management Objectives -** Accounting staff often view their role only as ensuring conformance with grant requirements. However, it is important to consider that project management staff needs accurate and timely financial information to assist in planning, controlling, measuring and evaluating the program for efficient and effective operation.

- **Accounting Basis -** Two accounting methods for recording financial operations are acceptable: cash basis or accrual basis. Cash basis accounting recognizes income when actually received and expenses when actually paid. Accrual basis accounting recognizes income when measurable and expenses when the obligations are incurred, although not yet paid. Grantees must be consistent and cannot switch between cash and accrual during the contract period.

Grantees that use cash basis accounting are able to claim expenses incurred prior to the end of the contract period, but not yet paid until after the end date in a manner similar to agencies which use accrual basis accounting. The grantee must be able to prove that the expense(s) was incurred and obligation(s) created prior to the end of the contract. Acceptable documentation would be written invoices, work orders, etc. which show the actual date that the expense was incurred.

Office of the Inspector General (OIG) Fraud Hotline

Grantees should report any allegations of fraud, waste and abuse regarding grant funds to the Inspector General (OIG) Fraud Hotline at
http://www.gao.gov/fraudnet/fraudnet.htm
or 1-800-424-5454.

IV. FINANCIAL MANAGEMENT
B. Record/Client Record Retention

Federal requirements (as described in 28 CFR Parts 66 and 70) related to this topic also govern state requirements and are described as follows.

Record Retention - The retention requirement extends to original source documentation supporting accounting transactions, including:

- General and subsidiary ledgers and journals
- Personnel and payroll records (including time and attendance reports)
- Time and effort reports for any consultants utilized
- Bank statements and canceled checks
- Copies of all awards, applications and required grantee financial and narrative reports
- All other records pertinent to the award

Period - The records of the grantee and any subcontractor(s), must be retained for a period of six (6) years after the end of the grant period. The six-year retention period starts from the date of the submission of the closure of the single audit report which covers the grant period (if applicable) or from the day that the grantee submits its final expenditure report for the award period. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 6 year period, the records must be retained until completion of the action and resolution of all issues which arise from it or until the end of the regular 6 year period, whichever is later.

The federal retention period is 3 years, but the state requires a 6 year period.

Maintenance - Grantee records should be separately identified and maintained for each award period in a manner that facilitates the easy retrieval of information required.

Access - Records are to be made available to OJP staff, federal auditors/awarding agency personnel, the Office of the Legislative Auditor or any other authorized agent of the state or federal government. The right of access is not limited to the required retention period, but shall last as long as the records are maintained.

Grant Records – other documents included under this six-year retention requirement:

- Grant Agreement
- Grant Agreement amendments
- Quarterly statistical reports
- All narrative progress reports
- Other progress reports (e.g. VAWA Annual Report)
- Supporting documentation that links demographic and service data reported on the quarterly statistical reports to an individual client (not identifiable by name but by a unique client identifier such as a client number)
- Emergency Fund application forms and corresponding receipts

Client Records – Your grant manager may request to view a sample client file when conducting a site visit or service review. Client records should not be identifiable by name but by a unique client identifier such as client number. Grantees will be given an opportunity to redact identifying information prior to review. **OJP suggests grantees consult with their legal counsel for guidance on retention of confidential victim information including case notes and other data not listed for their own purposes.**

IV. FINANCIAL MANAGEMENT
C. Fiscal Agents

The term "fiscal agent" is used interchangeably with "grantee" or "contracting agency." This is an agency with whom the actual contract is executed. In effect, the "fiscal agent" sponsors the entity operating the program. Generally, a fiscal agent arrangement is used when the operating entity does not have legal status, is not an eligible applicant, or does not have demonstrated capacity in meeting the many requirements associated with government grant dollars.

NOTE: There is not a process that allows for changing fiscal agents within a grant term. You should assume that if the relationship does not work, the grant contract will be terminated.

Responsibilities of the Fiscal Agent:
The agency assumes full responsibility for the fiscal management and award conditions of the grant funds. This includes:

- All programmatic and financial reports as detailed within the contract.
- Ensuring that all activities are accomplished and reported according to the terms of the contract.
- Monitoring the line item budget, making sure the budget is followed according to the terms of the contract and retaining all required documentation.
- Complying with audit requirements (as applicable).
- Being the official liaison between the state and any subcontractors, collaborators, and/or contact agencies that may actually be responsible for carrying out activities.
- All other conditions spelled out in the grant contract.

Responsibilities of the Office of Justice Programs:
OJP will strive to keep all parties to the grant activities apprised of grant manager decisions and grant status. It is our policy to address all official correspondence to the fiscal agent and to copy the program contact of the operating agency. Official requests for state action can be completed by the operating agency, but should be reviewed, approved and submitted by the fiscal agent.

Fees:
Costs that the fiscal agent incurs in administering the grant are allowed and may be part of the approved budget. In this case, fiscal agents must keep clear records documenting time and other costs charged against the grant. The use of an administrative fee or percentage approach must be negotiated with the grant manager prior to final budget approval.

Written Agreements:
It is a requirement that the fiscal agent (grantee) and operating entity have a written agreement to clarify the expectations that each party has of the other. These agreements need to be submitted to OJP.

AUDITS

Audit requirements are detailed in your grant agreement Terms and Conditions and Program Guidelines documents. Please note that grantees who sub-grant funds must require subgrantees to follow the same audit guidelines applicable to the primary grantee.

State funded grants are subject to federal audit requirements when state funds are being used as a match to federal funds. Match to federal funding is also subject to federal audit provisions. Audits conducted in compliance with OMB Circular A-133 (link on page 1) will generally be sufficient for compliance unless special conditions exist.

NOTE: For your information, the top ten audit findings experienced by federal grantees are detailed in the Appendix.

NOTE: Federal law requires that grantees that expend more than $500,000 in federal funds in their fiscal year must submit a copy of the audit report within 30 days after issuance to the central clearinghouse.

V. GENERAL ACCOUNTING
A. Cash Management

Petty Cash - Petty cash funds should not be used unless a project requires small items which require immediate payment by cash. If a petty cash fund is maintained, the maximum amount should not exceed $100. Invoices/vouchers must be on file to support cash disbursed from the petty cash fund. At all times, the amount of cash on hand plus invoices/vouchers paid out must equal the pre-established level of the petty cash fund. Access to the actual fund and the records of the fund should be limited to authorized staff. An independent party should reconcile the account on a random, but regular basis.

Cash Depositories - Grantees should deposit funds in a bank with FDIC coverage. Funds received should be recorded in the journal on the date received. Funds should be deposited as quickly as possible to ensure adequate control and safekeeping - normally within one (1) business day of receipt. Receipts should be deposited intact to ensure an audit trail exists from the original receipt to the amount deposited with the bank.

A checking account should be maintained for the purpose of paying all bills. While physical separation of funds from grant sources is not required, the grantee may want to establish such an account to facilitate control and monitoring.

CHECKING ACCOUNT GUIDELINES:

- The bank must have on file all signatures of persons authorized to sign checks.
- Checks are not to be made payable to "CASH."
- Checking accounts must be reconciled monthly by an individual not involved with preparing, approving or signing checks.
- All canceled checks and bank statements must be retained for documentation and audit purposes.
- All voided checks must be retained with the signature portion mutilated and "VOID" marked clearly on the face of the check.

Cash Controls - The grantee should maintain a cash receipts journal.

In accordance with administrative requirements for government and non-governmental entities, grantees are encouraged to use minority banks (banks which are owned at least 50% by minority group members). A list of minority-owned banks may be obtained from the Minority Business Development Agency, Department of Commerce, Washington, D.C. 20230.

V. GENERAL ACCOUNTING
B. Disbursements

Disbursement (Payment) Guidelines:

- Do not ask for reimbursement for costs that are questionable until you have obtained clarification from your grant manager.
- All disbursement must be supported by an original invoice or voucher. **NOTE:** Some receipts/invoices are printed in ink that fades. In this case, please make a photocopy of the original and staple it to the original copy so that a legible document exists.
- Except in the case of an emergency, project staff should not purchase supplies and materials with personal funds and request reimbursement from the agency. In the instances where this is done, original receipts must be attached to the employee's request for reimbursement.
- For goods taken from "central stores" (goods stored for use by all agency programs) ensure that there is a record of the goods utilized and the costs associated with the goods.
- If the grant funds are only being used to pay a portion of an invoice/voucher, mark the invoice in a manner which clearly indicates the portion of the invoice paid with grant funds.
- An authorized employee of the grantee must sign the invoice/voucher certifying that the goods and/or services have been received prior to payment.
- All invoices/vouchers must be retained and filed in an orderly manner that provides easy access for OJP desk review and possible audit verification. Separate sets of files must be maintained for each grant and each grant period.
- Invoices/vouchers must be clearly and boldly marked "PAID" when a check is issued to prevent subsequent duplicate payment. It is advisable to note the check number and date on the face of the invoice/voucher when paid and canceled. Invoices should also be marked to clearly identify the source of funds used to pay costs.

To provide sufficient documentation of expenditures by funding source, the grantee should maintain a disbursements journal which indicates the amount spent, the payee, the date, the check number, the purpose of the disbursement and the funding source. **NOTE:** The disbursements journal does not take the place of appropriate source documentation.

Costs Eligible for Reimbursement
Project costs charged to the grant award must be in the OJP approved budget and:

- **Allowable -** Permitted as a direct cost under the terms of the grant.
- **Direct -** Unless indirect/overhead costs are authorized by OJP, all costs charged to the grant must be for direct expenses. No "administrative fees" or allocated central costs may be charged to the grant without specific approval.
- **Allocable** – Costs can be allocated to the grant based on benefit derived. Grant funds cannot provide general support to the operations/programs of the organization receiving funding.

- **Actual -** Only actual expenses may be charged to the grant. Charges cannot be based upon budgeted or estimated amounts. For example: the project budget anticipates that the portion of the rental space to be occupied by project staff will cost $900/month. Actual monthly charges are $873.00. The actual and not budgeted cost is the amount that can be charged to the grant. **NOTE:** This is a particularly important concept when considering the portion of employee time that can be charged to the grant.

- **Reasonable** – A cost may be considered reasonable if the nature of the goods or services, and the price paid for the goods or services reflects the action that a prudent person would have taken given the circumstances at the time of the decision to incur the cost. In determining the reasonableness of a particular cost, the following criteria will be considered:

  - ✓ In accordance with generally accepted accounting principles and business practices
  - ✓ An "arms length" transaction
  - ✓ Consistent with established practices of the grantee
  - ✓ Necessary to achieve the outcomes established for the program.

- **Within the Period of the Grant Award -** Only costs/obligations for activities that occur within the approved award period may be reimbursed by the grant. No prepayments for costs after the award period are allowable. Charges where a portion of the charge is not within the period of the grant award will need to be prorated. For example: The payroll for an employee charged to the grant covers the period 12/24/11 - 1/6/12. The grant begins 1/1/12. In this case, only the hours worked on the grant on or after 1/1/12 may be charged to the grant.

NOTE: There may be instances where it is necessary to pay for grant related expenses after the period of the grant (and programmatic activities have ceased) such as evaluation contracts or audits. In such a case, speak with your grant manager before the end date of your grant so that, as applicable, your grant period can be extended. See Section VII-D related to grant extensions.

V. GENERAL ACCOUNTING
C. Payroll/Personnel Records

Grantees are to comply with all U.S. Wage and Hour Rules regarding the earning and payment of overtime by employees. The state will not participate in any monetary settlements, judgments or claims levied against a funding recipient due to noncompliance with laws, rules or regulations governing employer/employee payments.

To access information from the **U.S. Department of Labor Employment Standards Administration Wage and Hour Division,** go to: **http://www.dol.gov/whd/**

The following guidelines govern personnel/payroll transactions by the grantee for staff salaries and benefits that are part of the project:

- All employees of the program whose payroll costs are charged to the grant as direct costs must report hours worked on time reports which indicate hours worked by day. If an employee works on more than one project, the employee must allocate daily hours worked by project. Time records which indicate only total hours worked per payroll period are not acceptable (unless the employee is included in the grantee's indirect costs). All time records must be signed by the employee and signed as approved by a supervisor prior to requesting reimbursement.

- Adequate records must be maintained to support fringe benefits accrued and used, e.g. sick and vacation time. If an employee is working part-time under the grant, benefit costs must be prorated.

- Employee files must indicate the rate of pay approved for the employee and any changes to the rate.

- The funding recipient must have written personnel policies and written policies which govern payroll functions. At a minimum, personnel policies should address the following: hiring procedures, new employee orientation, work schedules, compensation, timekeeping, benefits, worker's compensation, performance appraisal, data privacy, leaves, separation from employment and complaint & grievance procedures.

- Grant contract or licensing provisions may require grantee organizations to have appropriate screening policies in place for staff that will be working with children or vulnerable adults. Resources are available to assist you in developing and employing appropriate screening techniques. Please contact your grant manager if you need further information on this subject.

NOTE: Grantees who employ staff who are "moonlighting" in addition to their regular full-time job must pay special attention to clearly documenting time spent on grant activities and ensuring that compensation rates are reasonable. These arrangements should be discussed with your grant manager prior to implementation.

V. GENERAL ACCOUNTING
D. Employee vs. Independent Contractor

Grantees often have questions related to whether personnel working on grant programs are independent contractors or employees. An employment relationship under the Fair Labor Standards Act (FLSA) must be distinguished from a strictly contractual relationship. Typically, independent contractors do not acquire tenure rights or any rights or benefits by way of Worker's Compensation, Unemployment Compensation, medical and hospital insurance, sick and vacation leave, severance pay, pensions or any other right or benefit normally provided to your employees. In addition, independent contractors do not have taxes withheld from their compensation and they receive a Form 1099 confirming their compensation as opposed to the W-2 Form provided to employees. An employer can be held liable for employment taxes, plus interest and penalties, if a worker is incorrectly classified as an independent contractor.

If an employer exercises control and directs what an individual does and how he or she does it, the person must be considered an employee. If the individual selects the means, methods and manner of performing agreed upon services, the person can be considered an independent contractor. To determine whether control exists in an employee-employer relationship, the IRS uses common law factors. While the concept behind this test is simple, the application of the rule is not always clear. The importance of each factor may vary depending on the occupation and the reason for the factor's existence. No mathematical formula can be applied to these factors. Those factors considered and the weight assigned to each will likely vary from case to case.

NOTE: IRS Publication #15a addresses the classification of employees vs. independent contractors. If you are unable to make a determination based upon reviewing available material you are encouraged to consult an employment law specialist. http://www.irs.gov/pub/irs-pdf/p15a.pdf

If you determine that a position/person must be classified as an "employee" you should use your agency's guidelines to determine their employment status (permanent, temporary, fulltime, part-time, on-call, overtime, etc.) and calculate wages, taxes, and available benefits accordingly.

NOTE: Grantees should not use a "stipend" method to hire individuals for scheduled duties, whether payment is by cash or check. Stipends are generally small allowances or living expense reimbursements paid to program volunteers or interns for the purpose of compensating them for their "out-of-pocket" expenses. Remember, the concept of a "paid volunteer" sounds very much like an "employee."

V. GENERAL ACCOUNTING
E. Program Income

Program-related income is defined as gross income earned by the recipient during the funding period as a direct result of the award. Records of the receipt and disposition/disbursement of program-related income must be maintained by the grantee in the same manner as required for grant funds that give rise to the income. Rules governing the reporting and disposition of various types of program-related income are based on federal guidelines which are as follows:

Interest Earned on Program Income – If program income is maintained in an interest bearing account you must include the interest earned as program income.

Royalties - Grantee shall retain all royalties received from copyrights or other works developed under projects or from patents and inventions unless specified otherwise.

Attorneys Fees and Costs - If legal fees paid for by grant funds are reimbursed, contact your grant manager.

Registration/Tuition Fees - If fees collected are in excess of the cost of providing the conference/workshop, the income generated from the fees shall be used for purposes of the grant (expanding the project, continuing the project or purchasing equipment or other assets). In this situation, please contact your grant manger to discuss.

Asset Seizures and Forfeitures Including cash received from the Equitable Sharing Program - Information will be provided separately to affected organizations.

Interest Earned on JABG Funds. Interest earned on JABG funds is considered program income and should be expended only on allowable purpose areas under these programs. Recipients are required to use all funds within the fixed expenditure period. No extensions of the expenditure periods will be approved. JABG recipients are not required to spend program income before receiving federal funds.

Accounting for Program Income - The federal portion of the program income must be accounted for up to the same ratio of federal participation as funded in the project or program.

Use of Program Income – Program income must be used for the purposes and under the conditions applicable to the grant. Program income may be used to supplement project costs or reduce project costs or may be refunded to the federal government. Program income may only be used for allowable program costs.

Addition Method of Handling Program Income – Program income shall be added to the funds committed in the agreement. The program income shall be used as earned to expand the project, continue the project or obtain equipment or other assets needed for the project

Reporting Program Income - If your project is funded by federal dollars and you earn program income, you will need to report the program income and expenses on a regular basis along with the submission of your Financial Status Report Form.

All purchases/expenditures must be part of an approved grant budget and must be conducted in a manner to provide, to the maximum extent practical, open and free competition. Non-competitive or other practices which could be interpreted to be a conflict of interest must be avoided. Records must be maintained detailing the procurement.

Generally, grantees may use their own procurement procedures and regulations provided that the procurement conforms to applicable public law (and the Procurement Standards section of 28 CFR Parts 66 and 70).

Grantees are required to be prudent in the acquisition and management of property. Purchase of new property will be considered an unnecessary expenditure when suitable property is already available within an organization. Grantees using funds for the acquisition of property must maintain systems for the effective management of such property.

1. Expendable Personal Property

Grantees may use their own definition of "expendable personal property" provided that it falls within the definition used by the federal government which is, **"tangible personal property with a useful life of less than one year and a per unit cost of less than $5,000."**

Expendable personal property includes items such as supplies and materials and other articles incidental to the program's operation. Expendable personal property should be recorded, controlled and monitored as determined necessary by the program staff.

2. Equipment

Grantees may use their own definition of "equipment" provided that it falls within the definition used by the federal government which is, **"non-expendable personal property with a useful life of more than one year and an acquisition cost of $5,000 or more per unit."**

(a). **Acquisition -** In reviewing equipment acquisition budgets and proposals, the following principles apply:
- The equipment is essential to the operation of the project and the cost is reasonable.
- No other equipment owned by the grantee is suitable for or available to the effort.
- Funds cannot be used to provide reimbursement for the purchase of equipment already owned by the grantee.
- Equipment purchased and used commonly for two or more programs will be appropriately prorated to each activity.

(b). **Title -** OJP will use the following standard for all equipment purchased with grant funds if applicable to your program (evidenced by requiring your agency to provide the certification noted).

EQUIPMENT ACQUIRED WITH CRIME CONTROL ACT BLOCK/FORMULA FUNDS (BJA)

The Omnibus Crime Control and Safe Streets Act of 1968, as amended, requires that the title to all equipment and supplies purchased with funds made available under the act, shall vest in the criminal justice agency or nonprofit organization that purchased the property, if it provides written certification to the state that it will use the property for criminal justice purposes.

EQUIPMENT ACQUIRED WITH JUVENILE JUSTICE ACT (OJJDP) FORMULA AND VICTIMS OF CRIME ACT (OVC) ASSISTANCE (FORMULA) FUNDS

Equipment acquired under a grant shall be managed to ensure that the equipment is used for criminal justice purposes. Title to equipment acquired under a grant will vest upon acquisition in the grantee. The following conditions apply:

1. The equipment must be used in the program for which it was acquired as long as needed. When it is not longer needed for the original program, it may be used in other activities currently or previously supported by federal funds.

2. The equipment shall be made available for use on other projects currently or previously supported by federal funds as long as such use doesn't interfere with the work of the program for which it was acquired.

3. When acquiring replacement equipment, the original equipment may be used as a trade-in or may be sold with the proceeds used for the replacement equipment.

For state-funded programs (that are not a match to an Omnibus Crime Control grant program) equipment acquired with funding through the state may be used for purposes of the original project as long as the project continues to operate, even if state funding ends.

(c). **Care of Equipment**

Grantees are responsible for replacing or repairing property which is willfully or negligently lost, stolen, damaged or destroyed. Any loss, damage or theft of equipment must be investigated and fully documented and made part of the official grant contract records. Stolen property must be reported promptly to the appropriate law enforcement agency and a copy of the report retained in the program files.

(d). **Inventory**

Grantees shall maintain, as part of the financial management records of the grant contract, the following types of property management documentation and records for equipment acquired in whole, or in part, with grant funds:

1. Copies of the purchase order(s) and invoice(s).

2. A current inventory system which includes the following items:
   - Description of property
   - Manufacturer's name, model and serial number
   - Acquisition date, cost, and vendor name
   - Amount of grant funds used for purchase
   - Inventory Control number
   - Location of property

NOTE: A physical inventory must be taken at least every two years. It is recommended that all equipment be permanently marked showing ownership.

Some OJP grants require match to the grant dollars received. If a match is required you will know this at the time of application for grant funds and the match requirement will be part of your grant agreement and budget. **Match is subject to the same restrictions as Federal funds. If it is not allowable with Federal funds, it is now allowable as match.**

If match is required, the following guidelines apply:

Hard Match (cash) includes cash spent for project-related costs. Allowable cash match must include those costs which are allowable with grant funds. Hard match may come from:

1. Funds from states and local units of government that have a binding commitment of matching funds for programs or projects provided that the grantee certifies that the funds used to pay the non-federal portion of the cost of the program shall be in addition to funds that would otherwise be made available for law enforcement programs.

2. Funds from: Housing and Community Development Act of 1974 (subject to restrictions),

3. Forfeited assets from the Equitable Sharing Program or program income funds earned from seized assets and forfeitures (as state law permits),

4. Funds from private sources,

5. Program income and the related interest earned on that income generated from other projects.

NOTE: Federal funds may not be used as match for federal funds nor may the same match be used as match for more than one grant.

Soft Match (in-kind) 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 require an outlay of cash. For example, the value of donated services could be used as soft match.

Timing of Matching Contributions. Matching contributions need not be applied at the exact time or in proportion to the obligation of the grant funds. However, full match must be reported before final grant funds are disbursed. If full match cannot be provided, the grant amount may be reduced commensurate to the amount of match. Time phased matching may be required.

Records for Match. Grantees must maintain records which show the source, the amount, and the timing of all matching contributions. In addition, if a program or project has included within its approved budget contributions which exceed the required matching portion, the grantee must maintain records of them in the same manner as it does the grant funds and required matching shares.

Calculating Match. The amount of match required is **typically** calculated as a percentage of the total project cost, e.g. if a project costs $100,000 and there is a 25% match requirement, then the grant request would be $75,000 and the match commitment would be $25,000. To calculate the match required for a grant of a certain amount:

10% Match……Multiply the grant funds requested by .1111
25% Match……Divide the grant funds requested by 3
50% Match……..The grant and match are equal in amount (same as a "dollar for dollar)

V. GENERAL ACCOUNTING
I. Non-Supplant Requirement

Definition: To deliberately reduce or reallocate state, local, or agency funds due to the existence of the federal funds.

All federally supported Program Guidelines contain a "non-supplant" provision. When grantees agree to follow Program Guidelines they are certifying 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. This provision applies primarily to states, counties and local units of government where funds are appropriated for specific criminal justice purposes. If appropriated non-federal resources are reduced, agencies will be required to demonstrate that the reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds. It may well be the case that funds were appropriated for a limited period of time and projects are discontinued or would be discontinued without the awarding of federal funds, but such action would need to be well documented. It is also the case that federal funds may allow an organization to expand activities beyond what local resources have been appropriated for; either by adding additional activities, expanding a service area or serving a larger number of individuals. Again, such a circumstance should be well documented.

NOTE: There may be state funded grants that allow for reimbursement of existing costs in exchange for participation of personnel in a project that serves the state's interest.

Supplant example:
State or local funds are appropriated to hire 5 new police officers, and Federal funds are awarded for hiring 6 new police officers. At the end of the year, the agency has hired 6 new police officers and the Federal funds have been exhausted. The agency has not used its funds towards hiring new officers, but instead reduced the local appropriation for that purpose and used the funds for another purpose. In this case, the agency has supplanted its appropriation with the Federal funds. If supplanting had not occurred, 11 new officers would have been hired using Federal funds for 6 officers and State or local funds for 5 officers.

VI. ALLOWABLE COSTS
A. Allocation of Costs

Allocation of costs refers to the assigning of costs that benefit more than one agency purpose/funding source. Your OJP grant is negotiated for specific activities and a specific budget. Most grantees also conduct related activities that are supported by other sources of funding. For example, grant funds may support your shelter operations with state funding and your grant may also include some federal funds to operate an advocacy program. You may also receive funds from another source, such as the United Way, to operate a children's counseling program. This gives rise to the question, "how do I assign a cost when the goods or services obtained benefit more than one purpose/funding source?"

If a cost solely benefits one purpose and the full cost of the good or service obtained is included in the grant budget, the cost should be charged entirely to that purpose. However, sometimes an expenditure benefits two or more purposes. Rental costs are an example of an expense that could potentially benefit more than one purpose. When this occurs, the cost must be charged in the same proportions as the benefits received by the different purposes. **The division of the cost can not be split based upon available funding**.

Allocating costs between different purposes should be based upon reasonable methods of determining the benefit that each purpose receives. It is important that you document the method you used to determine how to allocate costs and why you chose the measure you did (FTE, square footage, hours, etc.) to determine relative benefit. You should review your allocated costs on a periodic basis and certainly when you have significant changes in your operations.

The following are some examples of cost allocation methods.

- **Allocation based upon usage**: The cost of your copier supplies might be based upon how many copies are made by each of your programs.
- **Allocation based upon number of hours**: This method is typically used to allocate the costs of personnel.
- **Allocation based upon the number of clients served**: Your advocacy program is designed to serve non-English speaking clients that represent an average percentage of the total clients you serve.
- **Allocation based upon square footage**: This measure is typically used to allocate the costs of renting, operating or maintaining the site that you use to provide services. For example, you may pay $1,000/month for a cleaning contract for your entire building of 2,000 square feet. Your funded purpose is to provide advocacy services and the waiting room area and office for your advocate occupies 400 square feet or 20% of your building. In this case, it would be reasonable to say that 20% of the cleaning costs have a benefit for this purpose.
- **Allocation based upon FTEs**: This method is typically used to allocate services that support the work of employees. For example, you have 20 employees working on site and each employee has their own phone. Of the total employees, 10 are assigned to outreach services, the purpose for which you have received funding. You receive one phone bill for local service. In this case it would be reasonable to assign 50% of the phone bill to your outreach program.

Generally, **budgeted** costs which are necessary, reasonable and essential to the administration and operation of a program are considered allowable for funding. Grantees are not guaranteed the full grant amount; you must have eligible expenses to collect the full grant amount awarded.

Costs expressly unallowable or not in the approved budget should be excluded from any reimbursement request. In funding programs, OJP may determine the types of costs it is willing to fund. In some cases, OJP may choose to not allow costs that may be allowable under the rules of a federal grant program. Costs generally allowable are:

- **Personnel Services and Fringe Benefits.** Personnel paid for with grant funds must work directly with the grant-funded program. Actual costs paid by the grantee are allowable. Accruals for future use of fringe benefits are unallowable. Normal and reasonable severance pay for terminated direct service staff may be allowable (contact your grant manager for clarification).

- **Consultant and Technical Services** – See Section VI-D

- **Staff Training and Development.**

- **Travel.** Travel costs for employees who are in travel status on official business. Grantees should use their own travel policies as long as they do not exceed the current "Commissioner's Plan" (Commissioner of Employee Relations for the State of Minnesota.) In the absence of an established travel policy grantees should use the "Commissioner's Plan."
  Current "Commissioner's Plan" rates are included in the Appendix to this manual.

- **Transportation Costs.** For program participants or mileage reimbursement for staff for the use of a personal vehicle in providing services related to the grant objectives.

- **Insurance (including professional liability insurance).**

- **Space.** For occupancy in privately or publicly-owned buildings used for the benefit of the program where the total cost of space may not exceed the rental cost of comparable space for privately-owned buildings in the same locality. Includes:

  Rental Cost. Space in a privately owned building, or the cost of ownership where "rental rate" systems or the equivalent that adequately reflects actual costs, are employed. Such charges shall be based upon actual cost (including depreciation based on the useful life of the building, operation and maintenance, and other allowable costs).

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

  Rearrangements and Alterations. When specifically approved.

  Depreciation and Use Charges. When buildings or equipment are required to support grant activities.

- **Conferences and Workshops (sponsored by grantee agency).** Allowable costs may include conference or meeting arrangements, publicity, registration, salaries of

personnel, rental of staff offices, conference space, recording or translation services, postage, telephone charges and travel expenses (including transportation and subsistence for speakers or participants.)

NOTE: Federally funded grants must follow federal guidelines for conference costs; see your grant manager for clarification. Guidelines can be found at:

http://www.ojp.gov/funding/confcost.htm

- **Printing, Duplication, Publication.**
- **Equipment.** See Section V - G.
- **Accounting.**
- **Audit.** In federally funded grants, only if the grantee expends $500,000 or more in federal funds in its fiscal year. In state funded grants, only if determined allowable at the time of budget negotiation. In all cases; only a properly prorated portion of the cost is allowable.
- **Indirect Costs.** Subject to some restrictions depending on the grant program being funded. In cases where the grantee does not have a federally approved indirect rate, indirect costs may not be allowable or if allowable, may be subject to a maximum rate.
- **Office and Program Supplies.**
- **Security.**
- **Food & Beverage.** Food for program clients and participants is allowable; otherwise, generally not allowable. Please consult your grant manager for clarification.
- **Program Activities.** Cost of activities for program participants that are detailed in the approved work plan.
- **Telephone Expenses.**
- **Postage.**
- **Direct contributions/donations to individual participants in a program.** You may have awards, incentives or other expenses related to the needs and achievements of individuals participating in your program (e.g. t-shirts, calendars, etc.). Contributions/donations MUST be related to the goals and objectives of your program and must be reasonable and subject to a specific policy that applies to all. If you have any questions about this, please contact your grant manager.

VI. ALLOWABLE COSTS
C. Costs Generally Unallowable

The following costs are unallowable as either direct or indirect costs and will not be funded in whole, or in part, by grant funds:

- **Compensation and Travel Expenses of Federal Employees.**
- **Audit.** See previous section that indicates the circumstances where a portion of audit costs may be allowable.
- **Bonus or Commission Payments.** Bonuses to officers or board members of profit or nonprofit organizations are determined to be a profit or fee and are unallowable.
- **Military-Type Equipment.**
- **Lobbying.**
- **Advertising and Public Relations (including promotional items) –** Except for personnel recruitment or for necessary costs related to the grant objectives.
- **Fundraising.**
- **Corporate Formation.**
- **Fines, late fees and Penalties.**
- **Conference and Workshop Expenses -** entertainment, sports, visas and passports, tips, bar charges, beverages, meals and refreshments, and laundry.
- **Luxury Vehicles.**
- **Honorariums.**
- **Entertainment.**
- **Membership fees to organizations whose primary activity is lobbying.**
- **Costs incurred outside of the grant period.**
- **Other Costs Specifically Prohibited By the Source of Grant Funds.**

The following costs require prior approval (contact your grant manager for additional detail/information):

- **Automatic Data Processing (ADP) Equipment and Software**
- **Criminal Justice Information and Communications Systems**
- **Equipment**
- **Pre-contract Costs**
- **Proposal Costs**
- **Interest Expenses**
- **Consultant/speaker Fees -** In excess of $450/day
- **Out-of-state travel** – when not in originally approved budget.

D. Consultant Services

Grantees may need to contract with outside resources for service delivery or consultant and/or technical assistance services as part of the program funded.

RATES - Compensation for individual consultant services (including speakers) is to be reasonable and consistent with that paid for similar services in the market place. The maximum rate for consultants is generally $450.00 (excluding travel and subsistence costs) for an eight hour day. An eight-hour day may include preparation, evaluation and travel time in addition to the time required for actual performance. Any consultant costs in excess of $450.00/day must be pre-approved by your OJP Grant Manager and possibly by the federal grant manager. If consultants are hired through a competitive bidding process (not sole source) the $450 threshold does not apply.

DOCUMENTATION - Agreements to retain consultants must be in writing. The required elements for written agreements are described in Section VI-E

VI. ALLOWABLE COSTS
E. Contracting for Services

If you use a contractor (individual or organization) you must use a written agreement/contract. It is a legally enforceable document which, minimally, should include:

REQUIRED ELEMENTS

1. Scope of Services, i.e. work activities or specific expectations or duties (e.g. hours/days of service, service locations)
2. Beginning and ending date of the contract
3. Terms of Payment
4. Authorized agent for contract administration for both parties
5. Termination Guidelines (suggest clause related to source of funds)
6. Products/reports required and ownership of such
7. Clarification of status as an independent contractor
8. Access to records (must allow for grantee and state/federal access)
9. If "cost reimbursement," then what costs are allowable, e.g. conformance with Federal OJP Financial Guidelines.
10. Any OTHER provisions required (must include any federal or state requirements that flow-thru to contractors)

The two most critical elements of the contract are:

Scope of Services - This description must include sufficient detail to insure that the subcontractor is held accountable for what they said they would do. This is a critical piece of the document because it makes clear that the subcontractor is not receiving funds for general support, but rather, for specific activities or products.

Terms of Payment - This describes what the subcontractor will be paid for, how they bill you and what conditions must be met to receive payment. It should clearly describe what budget items the funds will cover. Please note that all contracts must provide for post payment, i.e. payment after services/products are delivered and must indicate the maximum amount that can be collected via the contract.

OTHER CONTRACT CONSIDERATIONS

Responsibilities and the Use of Contractors - The direct recipient grantee maintains responsibility for all aspects of the program including proper accounting and financial record keeping by the contractor. Responsibilities include the accounting of receipts and expenditures, cash management, the maintaining of adequate financial records and the refunding of expenditures disallowed by audits.
Paying Contractors - Contractors must bill you in writing and with sufficient detail to demonstrate that the "Terms of Payment" are being followed.
Submission of Contracts to OJP - All contracts in excess of $5,000 should be submitted to OJP as soon as they are finalized. If contracts do not have the required elements from above they will have to be revised.
Standard Vendor Contracts - If you are using a vendor to provide a routine service (maintenance, language translation, accounting, etc.), you may use their standard form, if it meets your needs.
Questions About Contracts – Please contact your grant manager for questions related to contracting. However, the contract is a legal document and our office does not provide legal advice. Your organization may want to contact an attorney to advise you about your contract agreements.

VII. GRANT PAYMENTS

A. Advance Payments

Advance payments may be used when the grantee does not have sufficient cash reserves to pay costs incurred prior to receiving reimbursement from OJP. Cash advances are available only to nonprofit organizations (or governmental units acting as fiscal agent for a nonprofit.)

Grantees must notify us of their need for a cash advance during final negotiations prior to the execution of the grant agreement. When approved, a cash advance in the amount of 30 days of the grant award will be given.

Further payments are reimbursements for costs actually paid/obligated during the reporting time period. The advance is then subtracted from the final reimbursement requests. If the entire advance is not used for expenditures, the balance must be returned to the OJP within 30 days of the end date of the final grant contract. Depending on circumstances, all or part of an advance payment may be applied to a reimbursement request prior to the final reimbursement request.

VII. GRANT PAYMENTS
B. Conformance to Budget

Grant funds must be spent according to the approved line item budget. Expenditures must be assigned to the correct line item, i.e. you cannot call "office expense" a "program expense" because you have exceeded your office expense budget and underspent your program expense budget. Minor changes to a grant budget do not require prior approval. Grantees are allowed to spend up to 110% (or $200, whichever is higher) of any budget category. To claim expenditures above the approved budget amount in one line item will require that an offsetting line item not be reimbursed in full. **In no event will you be paid in excess of the total grant amount authorized.**

EXAMPLE:

Line Item	Approved Budget	Reimbursement
Salaries/Fringe	$22,500	$24,750 (10% over)
Contracted Service	12,000	9,450 (under spent)
Training	0	0
Travel / Transportation	1,500	1,500
Equipment	3,000	3,300 (10% over)
Office Expenses	1,000	1,000
Program Expenses	1,800	1,800
Other Expenses	6,000	6,000
TOTAL	**$47,800**	**$47,800**

The online grant management system, E-grants, will not allow expenses to be reported in amounts greater than the maximum allowed.

C. Budget Revisions

If you find your originally approved budget is not meeting your needs, you may request a budget revision. You need to request a budget revision if you want to:

- Create a new line item
- You will exceed an existing line item by 10% (or $200, whichever is higher)
- The detail within a line item needs significant revision (salary total doesn't need revision but a different staff position will be support.)

The revised budget must be approved by your grant manager before any expenditures can be made based upon the revised budget.

When you need to request a budget revision you should call or email your grant manager to discuss it. Budget revision requests are then submitted using the e-grants system. Remember that you are revising the grant budget for the entire award period, not just the funds you have remaining. The process requires that you enter the new budget amounts. You will also update the line item detail that supports the new budget totals. You must also complete a justification for the revision. Please provide sufficient detail as to why you have to change your budget; it is not sufficient to enter "budget needs to be changed." For example, a justification might be, *"to add additional overtime to meet the needs of an increased number of victims requesting advocacy assistance and will be offset by mileage cost savings from fewer home visits."*

Your grant manager will review the request and contact you if he/she has any questions or if your revision request seems inconsistent with your project goals and objectives. Once your budget revision has been approved, it becomes the official grant budget and the new budget will be reflected on the e-grants system. At that point you can spend funds according to the new budget and request reimbursement accordingly.

IMPORTANT NOTES ABOUT BUDGET REVISIONS:

1. Budget revision requests must be made prior to making an expenditure that gives rise to the revision request. For example, if circumstances dictate that an unbudgeted piece of expendable equipment is necessary to operate the program and the current budget does not accommodate the purchase of this item, you must request a budget revision and have it approved prior to purchasing the item.

2. <u>Revision requests must be made at least 30 days in advance of the end date of the grant.</u> Grant managers need sufficient time to review your request to determine if it is reasonable and consistent with the objectives of the grant. Revision requests that are submitted with less than 30 days remaining in the grant will only be approved on a case by case basis.

D. Grant Period Extensions

Where justified, an extension of the end date may be approved in response to a written request stating the need for the extension and indicating the additional time required. Written requests for extension should be submitted at least 60 days before the ending date of the grant. **Retroactive extensions cannot be approved.** The maximum extension for any project is generally 12 months and normally only one extension is granted. Extension requests submitted with less than 60 remaining in the grant period are rare and require OJP Director approval.

An amendment to a grant period end date is a "material" change which requires an official amendment to the grant contract with new signatures. In some cases, the grant funding source does not allow for extensions.

Grantees use the online e-grants system to report expenditures and request reimbursement. Usually, documentation of expenses need not be submitted at the time you submit your financial report. At the grant manager's discretion or in the case of cash flow concerns, financial reporting problems, routine desk reviews, or other circumstances that may be affecting the grantee's financial position or operation, additional documentation may be required.

COMPLETION OF FINANCIAL STATUS REPORTS (FSR)

Financial reports may be submitted to OJP on a quarterly or monthly basis. Monthly financial reports are due by the 30th of the following month. Quarterly financial reports should be submitted using standard calendar year quarters (January 1 through March 31, April 1 through June 30, etc.), and are due no later than 30 days after the end of a calendar quarter.

Instructions for using the e-grants system are available on our website.

Your grant manager will review the FSR within 5 business days. The review checks the detail for conformance to budget, matching expenses to activity level, etc. The FSR will be approved for payment or put into "modifications required" status.

Grantees can confirm payment has been made using the SWIFT system.

NOTE: IF QUARTERLY PROGRESS REPORTS OR OTHER GRANT REQUIREMENTS (SUCH AS CIVIL RIGHTS CERTIFICATION) ARE OVERDUE PAYMENTS WILL BE SUSPENDED UNTIL THE REQUIRED REPORTS ARE SUBMITTED.

FINAL FINANCIAL STATUS REPORT

The final financial status report must be submitted within 30 days of the grant end date. Your final report should reflect actual expenditures of cash/expenditure obligations through the end date of the grant period.

"Obligations" (a.k.a. "accruals") are payments owed for a good or service **received** on or before the end date of the grant period. Grant funds may not be used for goods or services received after the end date of the grant period or where the value will extend beyond the grant contract end date (e.g. prepaid insurance or leases). Do not order goods or services that will not be received prior to the end date of the grant.

NOTE: If, for any reason, an obligation/accrual does not materialize or there are any changes to your final financial status report, please contact your grant manager immediately.

Within 30 days of the end date of the award (or any approved extension), the following documents must be submitted by the grantee to OJP:

- **FINAL PROGRESS REPORT**
- **FINAL FINANCIAL STATUS REPORT**
- **FINAL REFUND -** If the grantee received more funds than the amount of expenditures and obligations the difference must be refunded to the State of Minnesota. In such an event, please contact your grant manager.
- **NOTE:** If after the closeout of the grant you obtain a project evaluation, receive program publicity, or publish any materials related to your project, please send a copy to your grant manager for inclusion in your file.

As part of the grant file closeout OJP staff will fill out a Grant Closeout Evaluation form that includes the amount of the grant, the amount spent, dates of desk reviews and site visits, and lists any issues cited or concerns for future grants with the agency.

VIII. Grant Monitoring

GRANT MONITORING

Grant monitoring refers to both an overall system of reviewing and tracking federal and state funds **and** day-to-day review processes to ensure grantees are in compliance with federal and state requirements and are meeting the goals and objectives of the grant. These day-to-day processes include:

- FSR review
- Progress report review
- Telephone contacts
- Site visits
- Financial desk review: to ensure that adequate source documentation exists for the expenses claimed and that expenses claimed are allowable.

Examples of issues that could trigger more intensive monitoring (additional site visits, source documentation required with every FSR, etc.) include:

- Untimely submission of progress and/or financial reports
- Change in staff
- Expenditures in unauthorized budget categories
- Spending rate too fast/too slow
- Issues are found with desk review
- History of unsatisfactory performance
- Management system does not meet standards described on pages
- Discrepancies between narratives and financial reports
- Delay in program start-up
- Unresponsiveness to requests for information
- Allegations of misuse of funds
- Audit exceptions requiring follow-up

See Appendix ' & (for Grant Monitoring Overview charts.

IX. Civil Rights Grantee Responsibilities (New)

CIVIL RIGHTS

As a condition of the receipt of federal grant funding through the Minnesota Office of Justice Programs (OJP) grantees must comply with civil rights laws and regulations that prohibit discrimination. The following sections provide information and links to websites that will be helpful to grantees in complying with these civil rights requirements. In addition, they provide information on certifications grantees must complete as a condition of receiving of federal grant funding through MNOJP.

Civil Rights Laws, Regulations and Publications

The federal Office for Civil Rights (OCR), Office of Justice Programs website includes information that will assist grantees in complying with civil rights laws and regulations. The site includes information regarding Equal Employment Opportunity Plans, the prohibition against national origin discrimination affecting persons with limited English proficiency (LEP), and other civil rights law and regulations**: http://www.ojp.usdoj.gov/ocr/**

The OCR site provides links to specific civil rights laws and regulations that are applicable to OJP grant programs including but not limited to Byrne JAG Grant, Title II Juvenile Justice Grants, Juvenile Accountability Block Grants (JABG), Project Safe Neighborhoods (PSN), Residential Substance Abuse Treatment (RSAT), Victims of Crime Act (VOCA), Violence Against Women Act (VAWA), Violent Offender Incentive/Truth in Sentencing (VOI/TIS) funding, and the Coverdell Science Improvement grants. The following laws and regulations, which may be found at **http://www.ojp.usdoj.gov/about/ocr/statutes.htm**, apply to OJP grantees that receive OJP funding:

- The 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
- The Age Discrimination Act of 1975
- Nondiscrimination regulations at Title 28 and Title 34 of the Code of Federal Regulations

Additional civil rights information that will be useful to grantees may be found at the Coordination and Review Section of the Division of Civil Rights, Department of Justice website:

http://www.usdoj.gov/crt/cor/links.htm

Civil Rights Questionnaire for Grantees

All federally funded OJP grantees must complete the civil rights questionnaire and submit the completed questionnaire to MNOJP within 60 days of the beginning of the grant period. Grantees will download a copy of the questionnaire, fill it in, and upload into e-grants to become part of the grant file (see Appendix F)

Civil Rights Training & Acknowledgement

All federally funded MNOJP grantees must view a PowerPoint presentation (adapted from one prepared by federal Office for Civil Rights (OCR), Office of Justice Programs, U.S. Department of Justice). The training program includes the following topics: presenting the Federal laws pertaining to nondiscrimination in federally assisted programs, understanding discrimination in employment as well as in the delivery of services and benefits, reviewing the LEP guidelines,

and explaining OCR's enforcement methods. This PowerPoint can be found through our website (https://dps.mn.gov/divisions/ojp/grants/Pages/grantees-civil-rights-training-certification.aspx) or your e-grants account. Grantees must complete the Civil Rights Training Acknowledgement Form and upload into their e-grant file within 60 days of the beginning of the grant period.

Equal Employment Opportunity Plans (EEOP) and Required Certification
Certain grantees are required to develop an Equal Employment Opportunity Plan (EEOP). The EEOP analyzes a grantee's labor market data and employment practices to identify possible barriers to participation of women and minorities in the grantee's workforce. The OCR site includes information about when an EEOP is required and how to develop an EEOP: **http://www.ojp.usdoj.gov/ocr/eeop.htm**

All federally funded grantees must submit an EEOP Certification form whether or not they claim exemption from the EEOP requirements. During the grant execution process in the OJP e-grants system, grantees will access a link to the US DOJ website (**http://www.ojp.usdoj.gov/about/ocr/eeop.htm**) and the EEOP Certification form. The certification should be sent to the US Department of Justice as indicted on the form and a copy must be uploaded into the OJP e-grants system for every federal grant received from OJP.

The EEOP Certification has two sections, Section A and B. ONLY ONE section should be completed by the grantee. For grantees that are exempt from the EEOP requirement (see SECTION A), the certification documents the exemption criteria that apply. For grantees that are required to have a current EEOP (see SECTION B), the certification documents the location of the EEOP and that the plan is available for review by the public, its employees, and officials of MNOJP and OCR.

To help grantees decide whether or not they need to file an EEOP we have provided an "EEOP Decision Grid" document (see Appendix G).

Civil Rights Act Complaint Procedures and Forms
The Minnesota Office of Justice Programs, as the State Administrating Agency, has the responsibility to ensure that grantees are not discriminating in the services that they provide or in their grant funded employment practices. Notification prominently appears on the OJP website to advise clients, customers, program participants, or consumers of OJP and OJP grantees that they have options available if they believe they have been discriminated against.

Minnesota Department of Public Safety policy #1502 details the department's discrimination/discriminatory harassment policy and details the procedures to file an internal complaint.

This policy and the complaint form are in Appendix A.

Complainants may also file complaints with the following federal or state agencies:

Minnesota Department of Human Rights
Freeman Building
625 Robert Street North
Saint Paul, MN 55155
651-539-1100 (Main office available 8:00 am to 4:30 pm) or 651-296-1283 (TTY)
(Phone lines for taking complaints open from 9:30 am to 3:30 pm)
Toll free: 800-657-3704

IX. Civil Rights Grantee Responsibilities (New)

http://humanrights.state.mn.us/index.html

United States Equal Employment Opportunity Commission
Minneapolis Office
330 South Second Avenue, Suite 720
Minneapolis, MN 55401-4000

US Department of Justice, Office of Justice Programs
Office of Civil Rights
810 Seventh Street N.W.
Washington DC 20531
http://ojp.usdoj.gov/about/ocr/complaint/htm

Minnesota Department of Public Safety

Policy:	Discrimination/Discriminatory Harassment
Number:	1502
Applicability:	Department - wide
Maintained by:	Internal Affairs/Affirmative Action
Originated:	11/21/94
Effective:	2/3/11

Definitions

Discrimination-
Discrimination is any conduct that adversely impacts the employment, work environment or provision of service to an individual based on the individual's race, color, creed, religion, national origin, sex, sexual orientation, marital status, public assistance status, age, disability, or membership or activity in a local commission.

Discriminatory harassment-
Discriminatory harassment is any behavior based on a protected class characteristic that unreasonably creates an intimidating, hostile, or offensive work environment or unreasonably interferes with an individual's work performance. Discriminatory harassment may include, but is not limited to: repeated disparaging, belittling, derogatory comments, slurs, or jokes; or displaying objects, cartoons, or pictures of a derogatory or discriminatory nature.

Sexual harassment-
Sexual harassment is any sexually oriented conduct, whether it is intended or not, that is unwelcome and:

1) has the effect of creating a workplace that is hostile, offensive or humiliating,
2) submission to sexual conduct is made a term or condition of the individual's employment, or
3) unreasonably interferes with the individual's work performance.

Sexual harassment can occur between individuals of the opposite sex or same sex. Sexual harassment may include, but is not limited to, unwelcome sexual advances, sexually motivated physical conduct or other unwelcome verbal or physical conduct. Sexual behavior that does not rise to the level of illegal sexual harassment but that is inappropriate, disruptive, or creates a hostile work environment may also result in disciplinary action by the Department of Public Safety.

Employee-
Employee means all Department of Public Safety employees including full-time, part-time, temporary, seasonal, or emergency workers, interns, and student workers. While not employees, this policy also applies to volunteers and contractors.

Protected class –
Protected class characteristics in Minnesota are an individual's race, color, creed, religion, national origin, sex, sexual orientation, marital status, public assistance status, age, disability, or membership or activity in a local commission.

Reprisal-
Reprisal may include, but is not limited to, any form of retaliation, intimidation, or harassment directed toward a complaining party because the individual has filed a complaint under this policy.

Purpose

The purpose of this policy is to ensure that the Minnesota Department of Public Safety's practices are free from discrimination, including sexual harassment and harassment based upon protected class status by providing a process through which complaints of discrimination and/or discriminatory harassment will be promptly, thoroughly, and respectfully handled and investigated.

Policy Statements

- It is the policy of the Minnesota Department of Public Safety that all its employees are able to work in an environment free from discrimination and discriminatory harassment. The Department will not tolerate discrimination or discriminatory harassment among its employees and will take appropriate corrective action against employees who violate this policy.
- Discrimination and discriminatory harassment are prohibited by state and federal law. The Department may take corrective actions when inappropriate behavior or actions occur, even if they are not so serious as to be unlawful.
- This policy prohibits discrimination or discriminatory harassment by any employee, volunteer, or contractor of the Minnesota Department of Public Safety. This policy also applies to the handling of complaints against Department of Public Safety employees, volunteers, or contractors alleged to have engaged in discrimination or harassment against a member of the public. This policy applies both to conduct that occurs in the workplace and to conduct that occurs at any location that has a reasonable nexus to the workplace.
- All employees are expected to conduct themselves with dignity and respect for others.
- Employees are responsible for creating and maintaining an environment free from discrimination or discriminatory harassment.
- Employees are encouraged to report possible violations of this policy as soon as possible.
- Employees who engage in discrimination or discriminatory harassment in the workplace can expect disciplinary action. All disciplinary actions will be considered on an individual basis. Appropriate corrective action, up to and including termination of employment, will be taken.

- The Department will not tolerate any reprisal. Such retaliatory action constitutes a separate violation of the Discrimination/Discriminatory Harassment policy and may result in discipline up to and including termination of employment.

Responsibilities

ALL EMPLOYEES, VOLUNTEERS, AND CONTRACTORS

- Are responsible for seeking assistance about how this, or any other policy, applies to them
- Are responsible for personal conduct in a manner consistent with the spirit and intent of this policy

MANAGERS AND SUPERVISORS

- Must seek clarification if there are questions about this policy
- Department administrators, managers, and supervisors are responsible for implementing and enforcing this policy and for enforcing all discrimination and sexual harassment articles in collective bargaining agreements
- Managers and supervisors have a special responsibility to report allegations of discrimination or harassment. Supervisors shall immediately report any allegation of discrimination or harassment to the Department of Public Safety Director of Internal Affairs/Affirmative Action

DIRECTOR OF INTERNAL AFFAIRS/ AFFIRMATIVE ACTION

- Any claims of discrimination or discriminatory harassment or inappropriate behavior under this policy will be investigated by investigator(s) selected by the Director of Internal Affairs/Affirmative Action. During the investigation an attempt will be made to maintain confidentiality as much as is practical, on a need-to-know basis
- The Director of Internal Affairs/Affirmative Action will monitor the progress of each investigation
- The Director of Internal Affairs/Affirmative Action shall report annually to the Commissioner and all Division Directors the number of complaints filed under this policy

Minnesota Department of Public Safety

PROCEDURES TO FILE AN INTERNAL COMPLAINT

The following internal complaint procedure is intended to help the Department and its employees resolve concerns or complaints of sexual harassment and other types of discrimination and discriminatory harassment:

1. Employees, volunteers, or contractors who believe they have been harassed or otherwise discriminated against in the work place, or who have witnessed such behavior among other employees or other covered individuals, are encouraged to file a complaint as quickly as possible so that these matters can be resolved promptly. If managers or supervisors learn through an exit interview or other means that an employee, volunteer, or contractor has left the department because of alleged harassment or discrimination, the Division Director or Director of Human Resources will notify the Director of Internal Affairs/Affirmative Action of the situation to determine the appropriate follow up. When appropriate, the Division Director or Director of Human Resources will conduct an inquiry. A copy of this inquiry and any determination made will be forwarded to the Director of Internal Affairs/Affirmative Action.

2. Employees, volunteers, and contractors are encouraged to file their concerns and complaints in writing using any format including the Formal Complaint of Alleged Employee Misconduct form. However, oral complaints will be accepted and processed as well. Complaints may be filed with the employee's supervisor, the Director of Internal Affairs/Affirmative Action or the Director of Human Resources, or anyone in a supervisory or management position in the Department of Public Safety. If the complaint involves the employee's immediate supervisor, the complaint may be filed with any other supervisor or manager in the Department of Public Safety or the Directors of Internal Affairs/Affirmative Action or Human Resources.

3. The person who receives the concern or complaint will immediately notify the Director of Internal Affairs/Affirmative Action. While not required, the DPS Complaint Intake form may be used.

4. The Director of Internal Affairs/Affirmative Action will direct and review the investigation. Whenever possible, the investigation will be completed within 60 days. If the investigation cannot be completed within 60 days, the Director of Internal Affairs/Affirmative Action will inform the complainant of the status of the investigation and the expected date of completion.

5. The Director of Internal Affairs/Affirmative Action will inform the complainant when the investigation is concluded. The Director of Human Resources and appropriate Division Director will consult to determine appropriate corrective action and notify the subject of the complaint.

6. Any corrective action decision or recommendation will be made by the division director in consultation with the Director of Human Resources and/or the Labor Relations Manager.

7. The Director of Internal Affairs/Affirmative Action will follow-up with all complainants, following completion of the investigation, to assess the current situation and encourage timely reporting of any further complaints.

8. The Director of Internal Affairs/Affirmative Action shall provide the Commissioner of the Minnesota Management and Budget Office with a summary of the investigation as required under Minnesota Administrative Rule 3905.0500 and Minnesota Statute § 43A.04.

Employees, volunteers, and contractors are encouraged to use this procedure, but may also pursue information and/or remedies available through the Equal Employment Opportunity Commission, the Minnesota Department of Human Rights, or the courts. Employees are advised to check with these agencies to determine the existence of time limitations for the filing of complaints. Intentional use of this policy or complaint procedure for reasons of personal malice or abuse toward another employee is prohibited.

Other applicable policies, authority, or resources

- The Civil Rights Act of 1964; 42 U.S.C. 2000
- The Americans with Disabilities Act of 1990; 42 U.S.C. 12131
- The Age Discrimination in Employment Act of 1975; 42 U.S.C. 6101
- Minnesota Human Rights Act, Minn. Stat. Ch. 363A
- Minnesota Government Data Practices Act, Minn. Stat. Ch. 13
- Department of Public Safety Policy 1002, Investigation and Resolution of Reports of Employee Misconduct
- Department of Public Safety Policy 1501, General Harassment/Inappropriate Workplace Conduct
- Department of Public Safety Complaint Intake Form
- Department of Public Safety Formal Complaint of Alleged Employee Misconduct Form
- Applicable collective bargaining agreements and plans

Date this policy was last revised:	4/1/05
Approved for implementation and distribution:	Mary Ellison 2/3/11 Commissioner's Signature Date

STATE OF MINNESOTA
Department of Public Safety

FORMAL COMPLAINT OF ALLEGED EMPLOYEE MISCONDUCT

The information you provide may become part of an administrative investigation conducted at the direction of the Minnesota Department of Public Safety Internal Affairs/Affirmative Action and may be classified as private or confidential data under Minnesota State Statute Chapter 13. The information you supply may also be used in a grievance hearing, arbitration or other appeal procedure and it may become necessary for you to testify at these hearings. Your contact information is requested so that you can be contacted to provide additional information. You are not legally required to supply the data, however if you do not provide it, it may impact the ability to fully investigate your concerns. The information will be made available only to those with a legitimate business need to know the information and to those authorized by state and federal law.

Name of complainant:_____

Address:_____City_____State_____Zip_____

Telephone numbers: Home_____Work_____Cell_____

E-mail address: _____

Provide as much information as possible:

Name of employee(s) involved_____
(If no name is available, any other identifying information, i.e. badge number, description of employee)

Date and time of incident:_____

Location:_____

Description of Incident (include additional pages as necessary):

Names of possible witnesses and contact information, including email and cell phone if possible:

_____

_____

_____

The information I have provided is true and accurate to the best of my knowledge.

_____ _____
Signature of complainant Date

Return the completed form to:
Minnesota Department of Public Safety
Internal Affairs/Affirmative Action
445 Minnesota Street, Suite #530
St. Paul, Minnesota 55101-5530

Appendix B

STATE OF MINNESOTA TRAVEL POLICIES ("Commissioner's Plan")

Grantee agencies may use lesser amounts and/or more stringent verification requirements, but they may not use policies and amounts that are more liberal than what is described below in requesting grant funding. If an agency's policy is to pay higher amounts, the difference between the Commissioner's Plan and the agency's rate must be paid with agency funds.

Item	Policy	Amount
Meals	For part days: Breakfast reimbursement requires overnight travel or the need to leave home before 6:00 a.m. Lunch reimbursement requires that the individual is more than 35 miles from work site. Dinner reimbursement limited to persons who do not return home until after 7:00 p.m. For two or more consecutive meals, person may request combined reimbursement. Reimbursement is for actual cost of meals up to the maximum. Meals provided as part of a conference/meeting may NOT be claimed for reimbursement. **Receipts are not necessary.**	**Regular Rate** Breakfast: $7.00 Lunch: $9.00 Dinner: $15.00 TOTAL $31.00 Reimbursement may include tax and gratuity, but not alcoholic beverages.
NOTE: "High Cost Areas" include the metropolitan areas of: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Detroit, Hartford, Houston, Kansas City, Los Angeles, Miami, New Orleans, New York City, Philadelphia, Portland, St. Louis, San Diego, San Francisco, Seattle, and Washington DC		**High Cost Areas** Breakfast: $8.00 Lunch: 10.00 Dinner: $17.00 TOTAL $35.00
Lodging	► Any government or frequent guest rates should be sought.** ► Must be at a licensed facility (not with a friend, relative or private party). ► **Requires an original receipt for reimbursement (Not a credit card receipt).**	For standard room.
Taxis, rental cars, parking meters	Only for expenses necessary to conduct business, e.g. taking a taxi to dinner is not allowable if there is a meal option available at the meeting/conference location. Rental cars are only allowable for business purposes and when an alternative option, e.g. taxi, is not available or is more costly. **No receipts required except for vehicle rental.**	Actual amounts
Incidentals	Not available	
Mileage	For business related travel **NOTE: IRS rate effective 1/1/13 is $.565/mile**	I.R.S. rate
Airfare	Coach fare at the lowest fare available. [If arriving at or staying at a destination longer would be cheaper than the cost of a ticket to travel on an alternative day, the cost of the additional lodging and meals may be reimbursed] **Requires an original receipt for reimbursement.**	Actual cost

**** If grant is federally funded, lodging costs (excluding taxes) may not exceed federally allowable rates. These rates may be found at: http://www.gsa.gov/portal/category/21287**

NOTE: According to IRS regulations, reimbursement of meals not involving overnight lodging is taxable income.

13trav.pol (REV. 1/1/13)

Appendix C

TOP FINDINGS FROM SITE VISITS AND DESK REVIEWS

1. Personnel billed to grant are not the same positions in the grant budget

2. Use of percentage for fringe costs instead of actual amounts

3. Missing or insufficient time sheets, particularly for individuals billed less than 1.0 FTE

4. Confusion between the categorization of employees or independent contractors

5. Unreasonable, ineligible or unnecessary costs

6. Cost of items billed to the grant that are not in the budget

7. Insufficient cost allocation methods

8. Lack of proper source documentation (procurement methods have a large impact on this, i.e. credit cards, gift cards, etc.)

9. Insufficient "segregation of duties"

10. Inadequate financial reports and reports not reviewed by the Board of Directors

11. Lack of detail as to why and how some expenses are charged to the grant vs. other funding sources

12. Expenses not billed within the contract period

Appendix D

Minnesota Office of Justice Programs - Monitoring Plan for Crime Victim Services Grants			
	On-going Direct Services Non-Competitive 12-month	***On-going SMART Non-Competitive 12-month***	***VAWA Special Projects Competitive 24-month***
Pre-Award Review	Grant Manager reviews/approves annual application	Grant Manager reviews/approves annual application	Review committee may require revisions prior to awarding funds
Grant Management Training Orientation & Technical Assistance	As necessary	As necessary	As necessary
Financial Status Report Review	Monthly or Quarterly as submitted	Monthly or Quarterly as submitted	Monthly or Quarterly as submitted
Statistical Data Report Review	Quarterly	N/A (part of progress report)	N/A (part of progress report)
Program Progress Report Review	Twice annually	Twice annually	Twice annually
Financial Desk Review (source documentation reconciled with Financial Status Reports)	$50,000 & above: annually Below $50,000: every 2 years	$50,000 & above: annually Below $50,000: every 2 years	$50,000 & above: annually Below $50,000: every 2 years
Comprehensive Site Visit & Report	$50,000 & above: annually Below $50,000: every 2 years	$50,000 & above: annually Below $50,000: every 2 years	$50,000 & above: annually Below $50,000: every 2 years

Appendix E

GRANT MONITORING OVERVIEW Minnesota Office of Justice Programs			
Administrative capacity reviews will be conducted on all grantees that have not previously done business with our office. Grant Manager conducts final negotiation and approval of application work plan and budget.			
ALL GRANTS RECEIVE:	**New Grantee 1 year grant**	**New Grantee 2+ year grant (inc VAWA Special Projects)**	**On-going Grantee (Continuation grants)**
Grant Management Training/Orientation	1st Quarter of Year 1	1st Quarter of Year 1; annually if principals change	As needed (new staff, new policies, etc.)
Pre-Approvals Required	* Contracts in excess of $5,000 * Consulting Fees in excess of $450/day * Out-of state travel	* Contracts in excess of $5,000 * Consulting Fees in excess of $450/day * Out-of-state travel	* Contracts in excess of $5,000 * Consulting Fees in excess of $450/day *Out-of-state travel
Financial Status Report (FSR) Review	FSR is reviewed to confirm that expenses are within budget and correlate to activities underway	FSR is reviewed to confirm that expenses are within budget and correlate to activities underway	FSR is reviewed to confirm that expenses are within budget and correlate to activities underway
Narrative Progress Report Review	Quarterly Will compare progress to budget expenditures	Quarterly Will compare progress to budget expenditures	Semi- annually: all CVS Quarterly: all Criminal Justice Will compare progress to budget expenditures
Statistical Data Report Review	Part of progress report	VAWA Special Projects semi-annually Criminal Justice: part of progress report	Part of progress report
Financial Desk Review	Source documentation to be reconciled for one FSR every 12 months. To be done within first six months of operation; repeated if issues identified	Source documentation to be reconciled for one FSR every 12 mos. To be done randomly and repeated if issues have been identified	Source documentation to be reconciled with one FSR every 12 months. To be done randomly and repeated if issues identified
Comprehensive Site Visit & Report (preferably in person)	Within 1st quarter	Within 1st quarter $50,00 & above – annually Below $50,000 – every two years.	$50,000 & above – annually Below $50,000 – every two years

4/1/2013

CIVIL RIGHTS COMPLIANCE SELF ASSESSMENT QUESTIONNAIRE

Agency Name:		**Date**	
FORM COMPLETED BY (Name):			
TITLE:			
Your Phone #		**Your Email Address:**	

For office use only: FEDERAL FUNDING SOURCE(s):		
1.	***How does your agency notify program participants and beneficiaries that your agency does not discriminate on the basis of race, color, national origin, religion, sex, disability and age in the delivery of series?***	
2.	***How does your agency notify current and potential employees that your agency does not discriminate on the basis of race, color, national origin, religion, sex, disability and age in employment practices?***	
3.	***Does your agency have written policies or procedures in place for notifying program beneficiaries on how to file complaints alleging discrimination by your agency? If yes, explain these policies and procedures (or supply a copy) and if no, what is the target date to have these policies in place?***	
4.	***Does your agency have less than 50 employees? (<u>if yes, skip to question9</u>)***	
5.	***Do any of the grant(s) received by your agency from our office exceed $25,000? (<u>if no, skip to question 9</u>)***	
6.	***Has your agency adopted grievance procedures that incorporate due process standards and provide for the prompt and equitable resolution of complaints alleging a violation of USDOJ regulations implementing Section 504 of the Rehabilitation Act of 1973, found at 29 CFR part 42, Subpart G?***	
6a.	***If yes, when was the policy established?***	
6b.	***If no, what is the target date to have a procedure in place?***	
7.	***Has your agency designated a person to coordinate compliance with the prohibitions against disability discrimination?***	
7a.	***If yes, provide contact information for this person:***	
7b.	***If no, what is the target date to have a person in place?***	

8.	***Does your agency notify participants, beneficiaries, employees, applicants and others that your agency does not discriminate on the basis of disability?***	
8a.	***If yes, explain how.***	
8b.	***If no, what is the target date to have notification in place?***	
9.	***Does your agency have a written policy about providing meaningful access to programs and activities to persons who have Limited English Proficiency (LEP)? If yes, please submit.***	
10.	***In the space below, provide a brief overview of the steps that your agency has taken to provide meaningful access to your programs and activities to persons who have Limited English Proficiency LEP. (If these steps are detailed in your policy, you do not need to describe).***	
11.	***Does your agency conduct any training for agency employees on the requirements under federal civil rights laws?***	
12.	***If not, describe below how you will ensure that agency employees understand the agency's obligations under civil rights laws.***	
13.	***Does your agency conduct religious activities as a part of its program or services?***	
14.	***If your agency is required to have an EEOP and submit it to the Office of Civil Rights, have you done so? (If not required to have an EEOP, indicate "NA")***	
15.	***Has your agency completed an EEOP Certification Form declaring either your (1) exemption from preparing an EEOP or (2) acknowledging a requirement to have a form on file? If yes, complete question 16.***	
16.	***Has your agency submitted its certification form to the Office for Civil Rights?***	

Please list below any questions you have about your civil rights obligations or any technical assistance you require in meeting your civil rights obligations.

Appendix G

EEOP Decision Grid

What is the recipient type?	What is the award amount?	What is the number of employees?	Does the recipient need to develop an EEOP?	Does the recipient need to submit a Certification Form to OCR (and submit a copy to OJA)?	Must the recipient submit an EEOP to OCR?
Nonprofit, Indian Tribe, Medical or Education Institution	Does not matter	Does not matter	NO	YES	NO
State or local government and private entity	Less than $25,000	Does not matter	NO	YES	NO
State or local government and private entity	Does not matter	Less than 50 employees	NO	YES	NO
State or local government and private entity	$25,000 or more, but less than $500,000, for an individual grant	50 or more employees	YES	YES Certifying that the recipient has created an EEOP and is maintaining it on file in a designated office for review by employees, applicants, OCR, or a state administrative agency	NO
State or local government and private entity	$500,000 or more for an individual grant	50 or more employees	YES	NO	YES