

providing services under a Federal grant and is not representing its agency, the rate of compensation is based on the necessary and reasonable cost principles.

- c. **Consultants Employed by Commercial and Not-For-Profit Organizations.** These organizations are subject to competitive bidding procedures. Thus, they are not subject to the \$450 per day maximum compensation threshold before requesting prior approval. In those cases where an individual has authority to consult without employer involvement, the rate of compensation should not exceed the individual's daily salary rate paid by his/her employer, subject to the \$450 limitation.
  - d. **Independent Consultants.** The rate of compensation for these individuals must be reasonable and consistent with that paid for similar services in the marketplace. Compensation may include fringe benefits. In summary, consultants obtained through competitive bidding do not require prior approval, including individual consultants.
7. **Interest Expense.** Interest on debt, incurred for: (a) acquisition of equipment and buildings; (b) building construction; (c) fabrication; (d) reconstruction; and (e) remodeling, is an allowable cost with prior approval. This interest applies only to buildings completed on or after October 1, 1980 for State and local units of government and September 29, 1995 for nonprofit organizations.
  8. **Foreign Travel.** Direct charges for foreign travel costs are allowable only when the travel has prior approval from the awarding agency. (Indirect charges for foreign travel are allowable without prior approval from the awarding agency when: (a) included as part of a federally approved indirect cost rate; and (b) such costs have a beneficial relationship to the project. Each separate foreign trip must be approved.) Foreign travel is defined as any travel outside of Canada and the United States and its territories and possessions. However, for organizations located in foreign countries, the term "foreign travel" means travel outside that country.
  9. **Indirect Cost.** Transferring funds in or out of the indirect cost category is not allowable without OJP prior approval. A budget modification is required as indicated in *Part III, Chapter 5, Adjustments to Awards*.

**NOTES**

# Chapter 16: Unallowable Costs

## HIGHLIGHTS OF CHAPTER:

- Land Acquisition
- Compensation of Federal Employees
- Travel of Federal Employees
- Bonuses or Commissions
- Military-Type Equipment
- Lobbying
- Fundraising
- Corporate Formation
- State and Local Sales Taxes
- Other Unallowable Costs
- Costs Incurred Outside the Project Period

## LAND ACQUISITION

The funding legislation specifies that no Federal award involving the renting, leasing, or construction of buildings or other physical facilities shall be used for land acquisition. Accordingly, land acquisition costs are unallowable.

## COMPENSATION OF FEDERAL EMPLOYEES

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

## TRAVEL OF FEDERAL EMPLOYEES

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

1. Approved by the Federal employee's department or agency; and
2. Included as an identifiable item in the funds budgeted for the project, or subsequently approved by the awarding agency.

**NOTE:** Travel expenses are not allowable if Federal employees receive additional compensation along with Federal salary for their assistance.

## BONUSES OR COMMISSIONS

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

## MILITARY-TYPE EQUIPMENT

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

## LOBBYING

All recipients and subrecipients must comply with the provisions of the government-wide Common Rule on Restrictions on Lobbying, as appropriate. Refer to Part II, Chapter 1: Application Process, for more specifics about these provisions.

In addition, the lobbying cost prohibition applicable to all recipients of funding states that no funds may be used for the purposes of:

1. Attempting to influence the outcome of any Federal, State, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity.
2. Establishing, administering, contributing to, or paying for the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcome of elections.
3. Attempting to influence: (a) the introduction of Federal or State legislation; or (b) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation.
4. Publicity or propaganda purposes designed to support or defeat legislation pending before legislative bodies.
5. Paying, directly or indirectly, for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a member of Congress or of a State legislature, to favor or oppose, by vote or otherwise, any legislation or appropriation by either Congress or a State legislature, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation.
6. Engaging in legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried out in support of or in knowing preparation for an effort to engage in unallowable lobbying.
7. Paying a publicity expert.
8. The Anti-Lobbying Act, 18 U.S.C. §1913, recently was amended to expand significantly the restriction on use of appropriated funding for lobbying. This expansion also makes the anti-lobbying restrictions enforceable via large civil penalties, with civil fines between \$10,000 and \$100,000 per each individual occurrence of lobbying activity. These restrictions are in addition to the anti-lobbying and lobbying disclosure restrictions imposed by 31 U.S.C. §1352.

All grantees must understand that no federally appropriated funding made available under the grant program may be used, either directly or indirectly, to support the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of Government, without the express approval of OJP. Any violation of this prohibition is subject to a minimum \$10,000 fine for each occurrence. This prohibition applies to all activity, even if currently allowed within the parameters of the existing OMB circulars.

Any question(s) relating to this statute should be submitted in writing to the Office of General Counsel through your program manager.

## FUNDRAISING

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

An organization may accept donations (i.e., goods, space, services) as long as the value of the donations is not charged as a direct or indirect cost to the award.

A recipient may also expend funds, in accordance with approved award terms, to seek future funding sources to “institutionalize” the project as stipulated in the terms and conditions of an OJP grant award, but not for the purpose of raising funds to finance related or complementary project activities.

Nothing in this section should be read to prohibit a recipient from engaging in fundraising activities as long as such activities are not financed by Federal or non-Federal award funds.

**NOTE:** OJP occasionally issues awards which include the purpose of assisting an entity to become self-sufficient in operating a particular project to preserve its longevity and sustantation. In those cases, certain fundraising expenditures may be allowable and may be unique to OJP awards as disclosed in the terms and conditions of the awards.

## CORPORATE FORMATION

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

## STATE AND LOCAL SALES TAXES

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

## OTHER UNALLOWABLE COSTS

Unallowable costs include:

- Entertainment;
- Sporting events;
- Fines & penalties (except when incurred as a result of compliance with specific provisions of an award or instructions in writing from the awarding agency);
- Visa fees;
- Passport charges;
- Tips;

- Bar charges/alcoholic beverages;
- Conferences and workshops. Lodging costs in excess of Federal per diem. For events of 30 or more participants that are funded with an OJP award, if lodging costs exceed the Federal per diem rate, none of the lodging costs are allowable. (When Federal grant funds are expended for grant conferences for more than 30 attendees and zero hotel rooms are being billed to Federal grants, the award recipients must still ensure that lodging rates are within Federal per diem rates).
- Membership fees to organizations whose primarily activity is lobbying; and
- Premium pay. Grantees should not pay premium cost solely because they are using Federal funds. Any premium pay must be authorized in advance through written approval from the awarding agency.

#### **COSTS INCURRED OUTSIDE THE PROJECT PERIOD**

Any costs that are incurred either before the start of the project period or after the expiration of the project period are not allowable, unless written approval is granted by the awarding agency (preagreement costs or no cost extension).

**NOTES**



# Chapter 17: Indirect Costs

## HIGHLIGHTS OF CHAPTER:

- Approved Plan Available
- No Approved Plan
- Establishment of Indirect Cost Rates
- Distribution Bases
- Cost Allocation Plans—Central Support Services
- Lobbying Costs and the Indirect Cost Pool
- Approving Rates for Subrecipients

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. The cost of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

#### APPROVED PLAN AVAILABLE

1. The awarding agency may accept any current indirect cost rate or allocation plan previously approved for a recipient by any Federal awarding agency on the basis of allocation methods substantially in accord with those set forth in the applicable cost circulars.
2. Where the approved final indirect cost rate is lower than the actual indirect cost rate incurred, recipients may not charge expenses included in overhead pools (e.g., accounting services, legal services, building occupancy and maintenance, etc.) as direct costs.
3. Organizations with an approved indirect cost rate, utilizing total direct costs as the base, usually exclude contracts under awards or corporation agreements from any overhead recovery. The negotiation agreement will stipulate that major subcontracts are excluded from the base for overhead recovery. The term subcontract means any contract awarded under the award or corporation agreement.

#### NO APPROVED PLAN

If a recipient does not have an approved Federal indirect cost rate, funds budgeted for indirect costs will not be recoverable until a rate is approved. A special condition will be added to the award prohibiting drawdown for indirect cost reimbursement until an indirect cost rate has been approved and a GAN has been issued retiring the special condition.

**Exception:** If OMB has not assigned a Federal agency with cognizance for a local jurisdiction, then the unit of government is not required to submit its indirect cost proposal, unless the new cognizant agency (based on preponderance of Federal dollars) requires a copy of the proposal.

#### ESTABLISHMENT OF INDIRECT COST RATES

1. In order to be reimbursed for indirect costs, a recipient must first establish an appropriate indirect cost rate. To do this, the recipient must prepare an indirect cost rate proposal and submit it to the cognizant Federal agency. The cognizant Federal agency is generally determined based on the preponderance of Federal dollars received by the recipient. Instructions on how to negotiate an indirect cost rate are available at [http://www.ojp.usdoj.gov/funding/pdfs/indirect\\_costs.pdf](http://www.ojp.usdoj.gov/funding/pdfs/indirect_costs.pdf).
2. Local units of government need only submit their cost allocation plans and indirect cost proposals, if specifically requested by their cognizant Federal agency assigned by OMB.
3. The proposal must be submitted in a timely manner (within 6 months after the end of the fiscal year) to assure recovery of the full amount of allowable indirect costs. The proposal must be developed in accordance with principles and procedures appropriate to the type of institution involved.

4. To support the indirect cost proposal, Federal recipients are responsible for ensuring that independent audits of their organizations are conducted in accordance with existing Federal auditing and reporting standards set forth in OMB Circular A-133. This audit report must be submitted to the cognizant agency to support the indirect cost proposal. After negotiations, the cognizant agency will establish either a provisional, final, or fixed-with-carry-forward indirect cost rate.
5. A signed certification from the grantee organization requesting an indirect cost rate must accompany the indirect cost allocation plan. This organization must certify that the indirect cost allocation plan only includes allowable costs.
6. Copies of brochures of indirect cost rates describing the procedures that may be involved in the computation may be obtained from the U.S. Superintendent of Documents, U.S. Government Printing Office, Mail Stop: SSOP, Washington, DC 20402-9328. Some of the most commonly requested brochures are:
  - **OASC-1 (Rev)**—A Guide for Colleges and Universities, Cost Principles and Procedures for Establishing Indirect Cost Rates for Research Awards with the Department of Health, Education and Welfare.
  - **OASMB-5 (Rev)**—A Guide for Non-Profit Institutions, Cost Principles and Procedures for Establishing Indirect Cost and Other Rates for Awards with the Department of Health, Education, and Welfare.
  - **ASMB C-10**—A Guide for State, Local, and Indian Tribal Governments, Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government.

#### DISTRIBUTION BASES

Irrespective of the allocation method used by the organization the following three distribution bases will only be allowed by OJP:

1. **Modified Total Direct Cost (MTDC).** This base includes all direct costs incurred by the organization with the exception of distorting items such as equipment, capital expenditures, pass-through funds, and each major subcontract or subgrant over \$25,000.
2. **Direct Salaries and Wages.** This base includes only the direct salaries and wages incurred by the organization.
3. **Direct Salaries and Wages plus Fringe Benefits.** This base includes only the direct salary and wages and the direct fringe benefits incurred by the organization.

#### COST ALLOCATION PLANS—CENTRAL SUPPORT SERVICES

State agencies and local units of government may not charge to an award, the cost of central support services supplied by the State or local units of government except pursuant to a cost allocation plan approved by the cognizant Federal agency. The rate which is to be applied may be on a fixed-with-carry-forward provision.

**LOBBYING COSTS AND THE INDIRECT COST POOL**

When an organization seeks reimbursement for indirect costs, total lobbying costs shall be separately identified in the indirect cost rate proposal and thereafter treated as other unallowable activity costs in accordance with the above procedures and Attachment A of 2 CFR Part 230.

1. Organizations shall submit, as part of their annual indirect cost rate proposal, a certification that they are in compliance with all the requirements and standards have been complied with.
2. Organizations shall maintain adequate records to demonstrate that the determination of costs as being allowable or unallowable pursuant to Attachment B of 2 CFR Part 230 complies with the requirements.
3. Time logs, calendars, or similar records shall not be required to be created for purposes of complying with this section during any particular calendar month when:
  - a. The employee engages in lobbying, as defined above;
  - b. Twenty-five percent or less of the employee's compensated hours of employment during that calendar month constitutes lobbying as defined above; and
  - c. Within the preceding 5-year period, the organization has not materially misstated allowable or unallowable costs of any nature, including legislative lobbying costs.
4. When conditions (a) and (b) above are met, organizations are not required to establish records to support the allowability of claimed costs in addition to records already required or maintained. Also, when conditions (a) and (b) above are met, the absence of time logs, calendars, or similar records will not serve as a basis for disallowing costs by contesting estimates of lobbying time spent by employees during a calendar month.

**APPROVING RATES FOR SUBRECIPIENTS**

This is the responsibility of the direct recipient. The Federal awarding agency will not approve indirect cost rates beyond the direct recipient level.

**NOTES**

# Chapter 18: Closeout

## HIGHLIGHTS OF CHAPTER:

- Background
- Closeout of Discretionary/Categorical Awards
- Closeout of Block/Formula Awards
- Refund of Federal Grant Monies and/or Program Income at Closeout
- Initiation of the Closeout Process
- Failure to Remit Funds Owed

## BACKGROUND

It is the responsibility of the recipient to initiate the closeout process of his/her awards by using the Closeout Module in the Grants Management System (GMS). All discretionary/categorical and block/formula award recipients have 90 days after the end date of the award to close out the award. However, recipients should start the closeout process as soon as the program is completed and all monies have been spent. This will enable accurate reporting of financial information on the financial statements.

## CLOSEOUT OF DISCRETIONARY/CATEGORICAL AWARDS

1. **Cash Reconciliation.** The recipient must perform a financial reconciliation at closeout. The total cost of the project must be determined. If there was a requirement for the recipient to provide a share of the project costs, match must be calculated based on the actual total cost of the project. Any match must be reported on the SF-269A (Financial Status Report). The recipient should request reimbursement for any funds due to cover expenditures and obligations (incurred prior to the grant expiration date and liquidated no more than 90 days after the grant expiration date) at award closeout. The recipient's Federal expenditures (outlays) must be equal to or greater than the cash disbursements from the awarding agency.
2. **Drawdown of Funds.** Recipients should request final drawdown for reimbursement of Federal expenditures made within the approved period in conjunction with the final Financial Status Report.
3. **Recipient Closeout Requirements.** Within 90 days after the end date of the award or any approved extension thereof (revised end date), the following must be submitted by the recipient to the awarding agency:
  - a. **Final Financial Status Report.** This FINAL report of expenditures must have no unliquidated obligations and must indicate the exact balance of unobligated funds. Any unobligated/unexpended funds will be deobligated from the award amount by the awarding agency. Any match requirement must be met by the end of the grant period. Matching contribution must be reported on the final SF-269A. Recipients, who have drawn down funds in excess of their Federal expenditures, shall return unused funds to the awarding agency at the same time they submit the final report. (Recipients must report obligations and expenditures at the recipient/subrecipient level.)
  - b. **Final Progress Report.** This report should be prepared in accordance with instructions provided by the awarding agency.
  - c. **Invention Report.** All inventions that were conceived or first actually reduced to practice during the course of work under the award project must be listed on this report before closeout.

## CLOSEOUT OF BLOCK/FORMULA AWARDS

The timeframe for closeout of block/formula awards is also 90 days from the end date of the award. Cash disbursements and recipient expenditures must be reconciled before closeout.

**REFUND OF FEDERAL GRANT MONIES AND/OR PROGRAM INCOME AT CLOSEOUT**

If funds must be returned at award closeout, award recipients should remit:

- a check made payable to DOJ/Office of Justice Programs;
- a cover letter or voucher containing the grant award number for the refund, the unobligated balance, and an itemization of funds (e.g., the amount to be applied to excess payments, interest income, program income, questioned costs and so forth); and
- a print out of the final SF-269A report which reconciles the amount of the refund.

The final SF-269A should report the amount of Federal funds returned on line 10(i) (unobligated balance of Federal funds) and any unexpended program income returned on line 12(f).

**INITIATION OF THE CLOSEOUT PROCESS**

The recipient must complete the financial reconciliation and ensure that all programmatic conditions and requirements have been met, and then the recipient can initiate the closeout process in GMS. The closeout package is reviewed in GMS by the OJP Program Office. Once approved, the closeout package is submitted to OCFO for financial reconciliation.

If the financial reconciliation process reveals that refunds are due to OJP, the OCFO Customer Service Branch will contact the award recipient to request the funds owed. All refunds must be submitted to OJP by check. All checks will be converted into an electronic funds transfer (EFT). The account information from the checks will be scanned and stored. OJP will debit the account for the amount specified on the check within 24 hours. The drawdown will be reflected on the remitter's regular account statement.

The remitter will not receive a return check from the bank. OJP will destroy all checks; however, the information on the checks will be stored electronically.

Electronic funds transfer from the remitter's account is faster than normal check processing. If the EFT is returned for insufficient funds, OJP will process the transfer two more times. OJP may charge a processing fee for insufficient funds.

All refund checks and letters should be submitted to: Office of Justice Programs, Office of the Chief Financial Officer, ATTN: Accounting Control Branch, 810 Seventh Street, NW., Washington, DC 20531.

**NOTE:** Furnishing your check information is voluntary, but a decision not to do so may require remitters to make payment by some other method.



**FAILURE TO REMIT FUNDS OWED**

If the award recipient fails to remit funds owed to OJP, OCFO will refer the debt to the U.S. Department of the Treasury for collection as provided by Federal laws. Treasury may add fees, fines, and penalties to the original amount of the debt owed to the Federal agency.

Failure to remit funds due to OJP may result in withholding or freezing of funds on all other grants awarded to the grantee organization, and may impact future financial integrity reviews affecting future grant applications.

**NOTES**

# Chapter 19: Audit Requirements

## HIGHLIGHTS OF CHAPTER:

- Audit Objectives
- Audit Reporting Requirements
- Audit Submission Requirements
- Failure To Comply
- Audit Threshold
- Audit Confirmation Requests
- Due Dates for Audit Reports
- Audit Compliance
- Resolution of Audit Reports
- Top Ten Audit Findings
- Audit of Subrecipients
- Technical Assistance
- Full-Scope Auditing
- Commercial (For-Profit) Organizations
- Distribution of Audit Reports
- OIG Regional Offices

This chapter establishes responsibilities for the audit of organizations receiving agency funds. The intent of this chapter is to identify the policies for determining the proper and effective use of public funds rather than to prescribe detailed procedures for the conduct of an audit.

### AUDIT OBJECTIVES

Awards are subject to conditions of fiscal, program, and general administration to which the recipient expressly agrees in accepting the award. Accordingly, the audit objective is to review the recipient's administration of funds and required non-Federal contributions for the purpose of determining whether the recipient has:

1. Established an accounting system integrated with adequate internal fiscal and management controls to provide full accountability for revenues, expenditures, assets, and liabilities. This system should provide reasonable assurance that the organization is managing Federal financial assistance programs in compliance with applicable laws and regulations.
2. Prepared financial statements which are presented fairly, in accordance with generally accepted accounting principles.
3. Submitted financial reports (which may include Financial Status Reports, Cash Reports, and Claims for Advances and Reimbursements), which contain accurate and reliable financial data, and are presented in accordance with the terms of applicable agreements.
4. Expended Federal funds in accordance with the terms of applicable agreements and those provisions of Federal law or regulations that could have a material effect on the financial statements or on the awards tested.

### AUDIT REPORTING REQUIREMENTS

Independent auditors should follow the requirements prescribed in OMB Circular A-133. The recipient's books of account must support all amounts reported to OJP. The recipient's financial activity reported to OJP should reconcile to the amounts reported on the grantee's audited financial statements. If there are any differences between the recipient's audited financial statements and the financial activity reported to OJP, the recipient must be able to explain the differences.

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

All awarding agency personnel have the responsibility to inform the Office of the Chief Financial Officer, DOJ's Office of General Counsel, the Office of the Inspector General, and State and local law enforcement agencies or prosecuting authorities, as appropriate, of any known violations of the law within their respective area of jurisdiction.

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

## AUDIT SUBMISSION REQUIREMENTS

For fiscal periods ending on or after January 1, 2008, the Federal Audit Clearinghouse (FAC) requires all grant recipients to submit Form SF-SAC and the Single Audit Reporting package online utilizing the Internet Data Entry System (IDES). Recipients will use the IDES to:

1. Enter form SF-SAC data online;
2. Check form SF-SAC data for errors using the "Check Data" feature;
3. Upload a PDF copy of the Single Audit Reporting package;
4. Certify form SF-SAC electronically using a signature code provided by the IDES; and
5. Submit their complete certified form SF-FAC and Single Audit Reporting package to the FAC electronically.

To review the submission requirements and create an online report ID, visit FAC's Web site at <http://harvester.census.gov/fac/collect/ddeindex.html>.

## FAILURE TO COMPLY

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

## AUDIT THRESHOLD

1. Non-Federal entities that expend \$500,000 or more in Federal funds (from all sources including passthrough subawards) in the organization fiscal year (12-month turnaround reporting period) shall have a single organizationwide audit conducted in accordance with the provisions of OMB Circular A-133.
2. Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year. However, records must be available for review or audit by appropriate officials including the Federal agency, passthrough entity, and General Accounting Office.

## AUDIT CONFIRMATION REQUESTS

Send audit confirmation requests to:

Office of the Chief Financial Officer  
Attention: Grants Financial Management Division  
810 Seventh Street, NW.  
Washington, DC 20531

## DUE DATES FOR AUDIT REPORTS

Audits are due no later than 9 months after the close of each fiscal year during the term of the award.

## AUDIT COMPLIANCE

Techniques used to determine recipient compliance with Federal requirements when an organizationwide audit has not been conducted include:

1. Obtaining audits from recipients that were made in accordance with the "Government Auditing Standards;"
2. Relying on previous audits performed on recipients' operations;
3. Desk reviews by program officials of project documentation;
4. Project audits by auditors or auditors obtained by recipients; and
5. Evaluations of recipients' operations by program officials.

## RESOLUTION OF AUDIT REPORTS

Timely action on recommendations by responsible management officials is an integral part of the effectiveness of an audit. Each recipient shall have policies and procedures for responding to audit recommendations by designating officials responsible for:

1. Following up;
2. Maintaining a record of the action taken on recommendations and time schedules for completing corrective action;
3. Implementing audit recommendations;
4. Submitting periodic reports to the cognizant Federal audit agency on recommendations and actions taken; and
5. Providing an audit special condition on all subawards. This special condition contains information, such as the audit report period, required audit report submission date, and name and address of the cognizant Federal agency. The policy of the awarding agency is not to make new awards to applicants who are not in compliance with the audit requirements.

The awarding agency monitors the audit requirements through its audit tracking system and is responsible for tracking audit reports received through the audit process until the audit has been resolved and closed.

## TOP 10 AUDIT FINDINGS

1. Financial Status Reports not submitted timely;
2. Accounting procedures need improvement;
3. Suspension and Debarment Certifications not obtained;
4. Programmatic reporting requirements not met;
5. Subrecipients not adequately monitored;

6. Fixed assets not adequately monitored;
7. Grant management procedures need improvement;
8. Segregation of duties not adequate;
9. Cash management procedures need improvement; and
10. Procurement procedures need improvement.

#### **AUDIT OF SUBRECIPIENTS**

When subawards are made to another organization or organizations, the recipient shall require that subrecipients comply with the audit requirements set forth in this chapter.

Recipients are responsible for ensuring that subrecipient audit reports are received and for resolving any audit findings. Known or suspected violations of any law encountered during audits, including fraud, theft, embezzlement, forgery, or other serious irregularities, must be communicated to the recipient.

For subrecipients who are not required to have an audit as stipulated in OMB Circular A-133, the recipient is still responsible for monitoring the subrecipients' activities to provide reasonable assurance that the subrecipient administered Federal awards in compliance with Federal requirements.

#### **TECHNICAL ASSISTANCE**

The DOJ Office of the Inspector General is available to provide technical assistance to recipients in implementing the audit requirements of this chapter where DOJ is the assigned cognizant agency or has oversight responsibilities because it has provided the preponderance of direct Federal funding to the recipient. This assistance is available for areas such as:

1. Review of the audit arrangements and/or negotiations;
2. Review of the audit program or guide to be used for the conduct of the audit; and
3. On-site assistance in the performance of the audit, when deemed necessary, as a result of universal or complex problems that arise. Requests for technical assistance should be addressed to the appropriate DOJ Regional Inspector General's Office (see listing of regional offices).

#### **FULL-SCOPE AUDITING**

In addition to arranging and providing for the organizational, financial, and compliance audits required by OMB Circular A-133, individual recipients and subrecipients are encouraged to provide for additional audit coverage, as deemed appropriate. The additional audit coverage to be provided should be determined based on the circumstances surrounding the particular organization, function, program, or activity to be audited, management needs, and available audit capability.

Additional audit coverage could involve such organizational determinations relating to the following:

1. Are resources managed and used economically and efficiently?
2. Are desired results and objectives achieved effectively?
3. Are the organization's accounting system and system of internal controls acceptable prior to the receipt of awarding agency funds?
4. Are the organization's systems and controls adequate to detect fraud, waste, and abuse?

#### COMMERCIAL (FOR-PROFIT) ORGANIZATIONS

These organizations shall have financial and compliance audits conducted by qualified individuals who are organizationally, personally, and externally independent from those who authorize the expenditure of Federal funds. This audit must be performed in accordance with Government Auditing Standards, 2003 Revision. The purpose of this audit is to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the award. Usually, these audits shall be conducted annually, but not less frequently than every 2 years. The dollar threshold for audit reports established in OMB Circular A-133, as amended, applies.

#### DISTRIBUTION OF AUDIT REPORTS

The submission of audit reports for all grantees shall be as follows:

1. **State and Local Governments, Institutions of Higher Education, and Nonprofit Institutions.** Completed audit reports for State and local governments, institutions of higher education, and nonprofit institutions **should not be submitted to OJP** (unless requested by an agency official).

All single audit reports must be submitted electronically, rather than in paper format, to the Federal Audit Clearinghouse. There is information on FAC's Web site for grantees submitting their audit reports. Instructions for submitting audit reports are listed at <http://harvester.census.gov/fac/collect/formoptions.html>.

2. **Commercial Organizations and Individuals.** One copy of all audit reports for commercial organizations and individuals should be mailed to the U.S. Department of Justice, Office of Justice Programs, Office of the Chief Financial Officer, ATTN: Control Desk, 810 Seventh Street, NW., Room 5303, Washington, DC 20531.



## OIG REGIONAL OFFICES

Regional Audit Office	Geographical Area
Atlanta Region (40) Ferris B. Polk, Regional Audit Manager 75 Spring Street, Suite 1130 Atlanta, GA 30323 Phone: 404-331-5928 FAX: 404-331-5046	Alabama, Florida, Georgia, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and Virgin Islands
Chicago Region (50) Carol S. Taraszka, Regional Audit Manager 500 W. Madison, Suite 3510 Chicago, IL 60661 Phone: 312-353-1203 FAX: 312-886-0513	Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio, and Wisconsin
Dallas Region (80) Robert J. Kaufman, Regional Audit Manager 207 S. Houston Street Box 4, Room 275 Dallas, TX 75202 Phone: 214-655-5000 FAX: 214-655-5025	Arkansas, Louisiana, Oklahoma, and Texas
Denver Region (60) David M. Sheeren, Regional Audit Manager 1120 Lincoln Street, Suite 1500 Denver, CO 80203 Phone: 303-864-2000 FAX: 303-864-2004	Arizona, Colorado, Idaho, Kansas, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Utah, and Wyoming
Philadelphia Region (70) Richard A. McGeary, Regional Audit Manager 701 Market Street, Suite 201 Philadelphia, PA 19106 Phone: 215-580-2111 FAX: 215-597-1348	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont
San Francisco Region (90) David J. Gaschke, Regional Audit Manager 1200 Bayhill Drive, Suite 201 San Bruno, CA 94066 Phone: 650-876-9220 FAX: 650-876-0902	Alaska, American Samoa, California, Guam, Hawaii, Nevada, Oregon, Trust Territory of the Commonwealth of Northern Mariana Islands, and Washington
Washington Region (30) Troy M. Meyer, Regional Audit Manager 1300 North 17th Street, Suite 3400 Arlington, VA 22209 Phone: 202-616-4688 FAX: 202-616-4581	District of Columbia, Maryland, Virginia, and West Virginia

**NOTES**

# Chapter 20: The American Recovery and Reinvestment Act of 2009

## HIGHLIGHTS OF CHAPTER:

- Background
- The Recovery Act Programs Administered by OJP
- Supplanting Within the Recovery Act Programs
- Special Conditions
- Reporting Requirements for the Recovery Act
- Technical Requirements
- Delegating Reporting Requirements Under the Recovery Act
- Key Reporting Timeframes
- Special Reporting Requirements for Prime Recipients
- Data Quality Requirements
- How To Apply for Grants

## BACKGROUND

On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act). It was an unprecedented effort to jumpstart our economy, create and save millions of jobs, and make striving efforts toward addressing long-neglected challenges so our country can thrive in the 21st century.

The Recovery Act places great emphasis on accountability and transparency in the use of taxpayer dollars. Among other things, it creates a new Recovery Accountability and Transparency Board to provide information to the public, including access to detailed information on grants and contracts made with the Recovery Act funds. For additional guidance regarding the Recovery Act and the Transparency Board, refer to the new Web site, <http://www.Recovery.gov>.

The Recovery Act includes \$4 billion to the U.S. Department of Justice for grant funding to enhance State, local, and tribal law enforcement and other criminal and juvenile justice activities that will help to prevent crime and improve the criminal justice system in the United States. While the Recovery Act provides much needed resources for State and local communities, it also supports the creation of jobs.

## THE RECOVERY ACT PROGRAMS ADMINISTERED BY OJP

OJP has five component bureaus to aide in the implementation of the Recovery Act of 2009: the Bureau of Justice Assistance (BJA); the Bureau of Justice Statistics (BJS); the National Institute of Justice (NIJ); the Office of Juvenile Justice and Delinquency Prevention (OJJDP); and the Office for Victims of Crime (OVC). Additionally, OJP has two program offices: the Community Capacity Development Office (CCDO), which incorporates the Weed and Seed strategy; and the Office of Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking (SMART). BJA, OJJDP, and OVC play a significant role in implementing the various programs from the Recovery Act.

Funding for the following OJP programs is available through the Recovery Act:

- **Edward Byrne Memorial Justice Assistance Grant Program - \$2 Billion**
  - Formula program based on population and violent crime statistics
  - Supports broad range of activities to prevent and control crimes and improve the criminal and juvenile justice systems
- **Victims of Crime Act (VOCA) State Crime Victim Compensation Program - \$47.5 Million**
  - Formula program supports State efforts to compensate crime victims
- **Victims of Crime Act (VOCA) Assistance Formula Grant Program - \$47.5 Million**
  - Formula program supports State services to crime victims
- **Internet Crimes Against Children Task Force (ICAC) Formula Grant Program - \$50 Million**
  - Formula program supports the national network of ICAC task forces
  - Discretionary solicitations for Research and Training and Technical Assistance programs

- **Edward Byrne Competitive Grant Program - \$120.75 Million**
  - Categories include: Data-driven and evidence-based approaches; neighborhood-based probation and parole; mortgage fraud; hiring civilian law enforcement; enhancing forensic and crime scene investigations; victim assistance; and problem-solving courts
- **Mentoring Programs - \$97.5 Million**
  - Local Youth Mentoring Initiatives and National Youth Mentoring Programs
- **Research and Evaluation - \$2.25 Million**
  - Research and evaluation of Recovery Act State and Local Law Enforcement Assistance
- **Correctional Facilities on Tribal Lands Program - \$225 Million**
  - Construction or renovation of correctional facilities on tribal lands
- **Assistance to Rural Law Enforcement To Combat Crime and Drugs - \$123.75 Million**
  - Assistance to State and local law enforcement in rural States and rural areas to prevent and combat crime, especially drug-related crime
  - State and local law enforcement agencies include State and local prosecutors, parole, probation and community corrections agencies
- **Combating Criminal Narcotics Activity Stemming From the Southern Border of the United States - \$29.7 Million**
  - Assistance and equipment to State and local law enforcement along the southern border and in High Intensity Drug Trafficking Areas (HIDTA)
  - State and local law enforcement agencies include State and local prosecutors, parole, probation, and community corrections agencies
- **Crime Victims Competitive Grants - \$5 Million**
  - Training, technical assistance, and demonstration projects which are national in scope

#### **SUPPLANTING WITHIN THE RECOVERY ACT PROGRAMS**

The Recovery Act does not impose any new or unique nonsupplanting requirements on OJP programs. As specifically indicated in the solicitations, **the following OJP Recovery Act programs do not prohibit supplanting:**

- OJJDP FY 09 Recovery Act Internet Crimes Against Children (ICAC) Task Force Program Grants
- OJJDP FY 09 Recovery Act ICAC Task Force Training and Technical Assistance Grants
- OJJDP FY 09 Recovery Act ICAC Research Grants
- OJJDP FY 09 Recovery Act National Internet Crimes Against Children Data System
- OJJDP FY 09 Recovery Act Local Youth Mentoring Initiative

- OJJDP FY 09 Recovery Act National Youth Mentoring Programs
- Recovery Act: Assistance to Rural Law Enforcement To Combat Crime and Drugs
- Recovery Act: Edward Byrne Memorial Competitive Grant Program
- Recovery Act State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming From Southern Border of the United States
- Recovery Act: Evaluation of Internet Child Safety Materials Used by ICAC Task Forces in School and Community Settings
- Recovery Act: Research and Evaluation of Recovery Act State and Local Law Enforcement Assistance

### SPECIAL CONDITIONS

The recipient must agree with all of the terms and special conditions contained in the award document. The following special conditions may or may not apply to all of the Recovery Act programs.

1. **Separate Tracking and Reporting.** The recipient must track, account for, and report on all funds received from the Recovery Act award (including specific outcomes and benefits attributable to Recovery Act funds) separately from all funds, including DOJ award funds from non-Recovery Act grants awarded for the same or similar purposes or programs. (Recovery Act funds may be used in conjunction with other funding as necessary to complete projects, but tracking and reporting of Recovery Act funds must be separate).
2. **Reporting and Registration Requirements.** The recipient must complete projects and activities which are funded under the Recovery Act and report on the use of Recovery Act funds provided through each award. Information from these reports will be made available to the public. The reports are due no later than 10 calendar days after the end of each calendar quarter, for the life of each Recovery Act grant. Recipients and their first-tier subrecipients must maintain current registrations in the Central Contractor Registration (CCR) at all times during which they have active Federal awards funded under the Recovery Act. (Also, see Part III, Chapter 11: Reporting Requirements.)
3. **Provisions of Section 1512(c).** Each recipient that received Recovery Act funds shall submit a report no later than 10 days after the end of each calendar quarter to the Federal awarding agency. The report must contain the following data: (1) the total amount of recovery funds received from that agency; (2) the amount of recovery funds received that were expended or obligated to projects or activities; and (3) a detailed list all of projects or activities for which recovery funds were expended or obligated, including: (a) the name of the project or activity; (b) a description of the project or activity; (c) an evaluation of the completion status of the project or activity; (d) an estimate of the number of jobs created and the number of jobs retained by the project or activity; and (e) for infrastructure investments made by the State and local governments, the purpose, the total cost, and rationale of the agency for funding the Recovery Act.
4. **DUNS and CCR Reporting for Subrecipient.** The recipient must work with its first-tier subrecipients to ensure that the subrecipient has a valid DUNS profile, no later than the due date of the recipient's first quarterly report after a subaward is made.

5. **Protecting State and Local Government and Contractor Whistleblowers.** The recipient recognizes that the Recovery Act provides certain protections against reprisals for employees of non-Federal employers who disclose information reasonably believed to be evidence of gross mismanagement, gross waste, substantial and specific danger to public health or safety, abuse of authority, or violations of law related to contracts or grants using Recovery Act funds.
6. **National Environmental Policy Act (NEPA) and Related Laws.** The recipient understands that all OJP awards are subject to NEPA and other related Federal laws (including the National Historic Preservation Act), if applicable. The recipient agrees to assist OJP in carrying out its responsibilities under NEPA and related laws, if the recipient plans to use Recovery Act funds (directly or through subaward or contract) to undertake any activity that triggers these requirements, such as renovation or construction. The recipient also agrees to comply with all Federal, State, and local environmental laws and regulations applicable to the development and implementation of the activities to be funded under each award.
7. **Inapplicability of Nonsupplanting Requirement.** The recipient understands that, for purposes of this award, the general nonsupplanting requirement of the OJP Financial Guide (Part II, Chapter 3) does not apply.
8. **Quarterly Financial Status Reports.** The recipient agrees to submit quarterly financial status reports to OJP. Currently, the reports are to be submitted online using the Grants Management System (GMS) SF-269A Module, not later than 45 days after the end of each calendar quarter. The recipient understands that beginning October 1, 2009, OJP will discontinue its use of the SF-269A, and will require award recipients to submit quarterly financial status reports within 30 days after the end of each quarter, using the governmentwide Federal Financial Report (FFR-425) form. Beginning with the report for the fourth calendar quarter of 2009, the recipient agrees that it will submit quarterly financial status reports to OJP online using the FFR-425, not later than 30 days after the end of each calendar quarter. The final report shall be submitted not later than 90 days following the end of the grant period.
9. **Reporting on Potential Fraud, Waste, and Abuse, and similar misconduct.** The recipient must promptly refer to the Department of Justice, Office of Inspector General (OIG) any credible evidence that a principal, employee, agent, contractor, subgrantee, subcontractor, or other person has either submitted a false claim for Recovery Act funds under the False Claims Act; or committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving Recovery Act funds. This condition also applies to any subrecipients. Potential fraud, waste, abuse, or misconduct can be reported to the OIG via e-mail at [oig\\_hotline@usdoj.gov](mailto:oig_hotline@usdoj.gov), telephone at 1-800-869-4499, FAX at 202-616-9881 or mail at: Office of the Inspector General, U.S. Department of Justice, Investigations Division, 950 Pennsylvania Avenue, NW., Room 4706, Washington, DC 20530.
10. **Subaward Monitoring.** The recipient agrees to monitor its subawards under the Recovery Act in accordance with applicable statutes, regulations, OMB circulars, and guidelines, including the OJP Financial Guide, and to pass through the applicable award conditions in any subawards. The recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to the use of Recovery Act funds by its subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under the Recovery Act.
11. **Access to Records.** The recipient understands and agrees that DOJ (including OJP and OIG), and its representatives, as well as officials from the Government Accountability Office (GAO), shall

have access to and the right to examine all records (including, but not limited to, books, papers, and documents) related to each Recovery Act award, including such records of any subrecipient, contractor, or subcontractor.

**12. Buy American Notification Section 1605.** The recipient understands that this award is subject to the provisions of the Section 1605 of the Recovery Act. No award funds may be used for iron, steel, or manufactured goods for a project for the construction, alteration, maintenance, or repair of a public building or public work, unless the recipient provides advance written notification to the OJP program office, and a grant adjustment notice (GAN) is issued that modifies this special condition to add governmentwide standard conditions (anticipated to be published in subpart B of 2 C.F.R. part 176) that further implement the specific requirements or exceptions of Section 1605.

**13. Active CCR.** The recipient agrees to expeditiously obtain active registration with the CCR database, and to notify the program office in writing of its registration. Following satisfaction of this requirement, a GAN will be issued to remove this special condition.

### REPORTING REQUIREMENTS FOR THE RECOVERY ACT

The recipients of Recovery Act funds must comply with extensive reporting requirements. Quarterly progress reports, which require both financial and programmatic data, will be **due within 10 calendar days after the end of each calendar quarter, beginning with the July to September 2009 reporting period. However, the report due on October 10, 2009 must also include the cumulative activities and projects funded since the enactment of the Act, or February 17, 2009.**

Reporting Periods	Due Dates
July – September	October 10
October – December	January 10
January – March	April 10
April – June	July 10

The report must contain the following information:

- the total amount of Recovery Act funds received from that agency;
- the amount of the Recovery Act funds that were expended or obligated to projects or activities;
- a detailed list of all projects or activities for which Recovery Act funds were expended or obligated, including—
  - the name of the project or activity;
  - a description of the project or activity;
  - an evaluation of the completion status of the project or activity;
  - an estimate of the number of jobs created and the number of jobs retained by the project or activity; and
  - for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and the agency point of contact for infrastructure investment issues; and
- detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of Office of Management and Budget.



## TECHNICAL REQUIREMENTS

Section 1512 of the Recovery Act requires that activity reports on the use of Recovery Act funding be submitted by recipients into the central reporting solution at <http://FederalReporting.gov>. Recipients must be registered as authorized parties prior to submitting or reviewing activity reports on <http://FederalReporting.gov>. Since registration requires that recipients be registered in the CCR database, and that all reporting entities have a valid DUNS number, recipients that do not already meet these requirements are encouraged to register no later than 35 days prior to the end of the quarter. The registration function will be available at <http://FederalReporting.gov> beginning August 17, 2009, and the entire process may take up to 8 days. When the Web site registration process has been successfully concluded, the <http://FederalReporting.gov> solution will send a confirmation of registration to the user by e-mail.

There are three methods for submitting reports into the <http://FederalReporting.gov> reporting solution:

1. Online data entry – the Web site provides a data entry form which is available at <http://FederalReporting.gov>.

Technical Requirements: a commercial web browser, such as Microsoft's Internet Explorer or Firefox, is required for this option.

2. Excel spreadsheet – a Microsoft Excel spreadsheet can be downloaded, opened, completed, and then uploaded to the Web site at <http://FederalReporting.gov>. The spreadsheet is **locked** to restrict modification and only allows data to be entered in the required fields.

Technical Requirements: Microsoft Office Excel (version 2003 or newer) is required to open and edit the spreadsheet. A commercial Web browser, such as Microsoft's Internet Explorer or Firefox, is required for this option.

**NOTE:** Modification to the structure of this spreadsheet will result in an invalid submission.

3. Custom software system extract in Extensible Markup Language (XML) – a formatted XML system extract. A data dictionary and XML schema is needed for formatting and structuring the XML system extracts. The XML schema, and a service for validating the structure of the XML extracts, will be available on <http://FederalReporting.gov>.

Technical Requirements: A commercial browser, such as Microsoft's Internet Explorer or Firefox, is required for this option.

## DELEGATING REPORTING REQUIREMENTS UNDER THE RECOVERY ACT

The prime recipient of all Federal programs identified in Section 1512 of the Recovery Act is responsible for reporting on funded activities and projects in <http://FederalReporting.gov>. However, the prime recipient may choose to delegate certain reporting responsibilities to the subrecipient for those data elements related to subrecipient activities. This delegation must be clearly communicated and closely monitored to avoid mistakes and/or double counting (i.e., whereas both the prime recipient and the subrecipient separately report on the same activity). The prime recipient is responsible for designing and implementing a process to minimize potential reporting errors and mistakes. This policy should clearly identify which user (prime or subrecipient) is authorized to make corrections during the postsubmission stage.

## KEY REPORTING TIMEFRAMES

The Recovery Act requires that prime recipients and delegated subrecipients submit quarterly reports on <http://FederalReporting.gov> not later than the 10th day following the end of each quarter. The initial report is due on October 10, 2009, and should include the cumulative activities and projects funded since the enactment of the Act, or February 17, 2009. The statute requires that reported information will be made available to the public no later than the 30th day after the end of each calendar quarter. Summary statistics for reported data will appear on <http://www.Recovery.gov> and will be marked to indicate their review status: 1) Not reviewed by Federal agency; 2) Reviewed by Federal agency, no material omissions or significant reporting errors identified; or 3) Reviewed by Federal agency, material omissions or significant reporting errors identified.

The timeframe for reporting activities and their sequence is described below:

- **During days 1-10** following the end of the quarter, recipients and delegated subrecipients prepare and enter their reporting information. During this period, the data is considered to be in presubmission status until actually submitted. Recipients using the Web-based form will be allowed to store draft versions of their reports online. However, the draft versions will only be available to the individual creating the report. Recipients using the spreadsheet or system extracted XML options may store draft versions outside of the system on recipient-owned computers or workstations. The data will assume the status of “submitted” and conform with Section 1512 reporting requirements only when the reporting entity actually submits it using the Web site functions. Submitted reports will be viewable by the appropriate prime recipient and by the awarding agency. Prime recipients and delegated subrecipients that have not submitted their reports by the end of the 10th day will be considered in noncompliance with the reporting requirements.
- **During days 11-21** following the end of the quarter, prime recipients ensure that complete and accurate reporting information is provided prior to the Federal agency comment period beginning on the 22nd day. Prime recipients will perform a data quality review and verify submitted information for all Recovery Act funds for which they are responsible. Additionally, the prime recipient must notify all subrecipients of reporting errors or omissions, and ensure that any data corrections are completed in a timely manner. The prime recipient is responsible for coordinating with subrecipients on any identified data corrections.
- **During days 22-29** following the end of the quarter, the Federal agencies can review and comment on the submitted reporting information. Submitted reports will not be editable by the prime recipients or delegated subrecipients during this period, unless the Federal agencies request revisions. The Federal agencies will perform a data quality review and notify the prime recipients and the delegated subrecipients of any data anomalies or questions through the <http://FederalReporting.gov> solution. This notification will unlock the notated report and include instructions from the Federal agencies for any corrections. The original submitter must complete data corrections no later than the 29th day following the end of the quarter.
- **No later than 30 days** following the end of the quarter, detailed recipient reports are made available to the public on the <http://www.Recovery.gov> Web site. Any data issues identified beyond the date of publication will be corrected or addressed in the *next* quarterly report.

## **SPECIAL REPORTING REQUIREMENTS FOR PRIME RECIPIENTS**

Prime recipients will be required to enter their Marketing Partner Identification Number (MPIN) from the CCR at the time of reporting submission. The MPIN is a password created by a user in CCR and identifies the submitter as a prime recipient. Prime recipients will not be able to view subrecipient reports until the prime recipient report is submitted using a valid MPIN for the DUNS number associated with the award.

## **DATA QUALITY REQUIREMENTS**

Data quality reviews (i.e., accuracy, completeness, and timely reporting of information) are intended to emphasize and avoid two key data problems: material omissions and significant reporting errors.

Material omission is defined as an instance in which required data is not reported, or the prime recipient or delegated subrecipient fails to report. This type of omission can result in significant risk to the public on the status of a Recovery Act activity or project.

Significant reporting error is defined as an instance in which required data is not reported accurately and such erroneous reporting results in significant risk that the public will be misled or confused by the recipient report in question. Appropriate action should be taken to reduce the risk of significant reporting errors.

# Part IV: Organization Structure

## HIGHLIGHTS

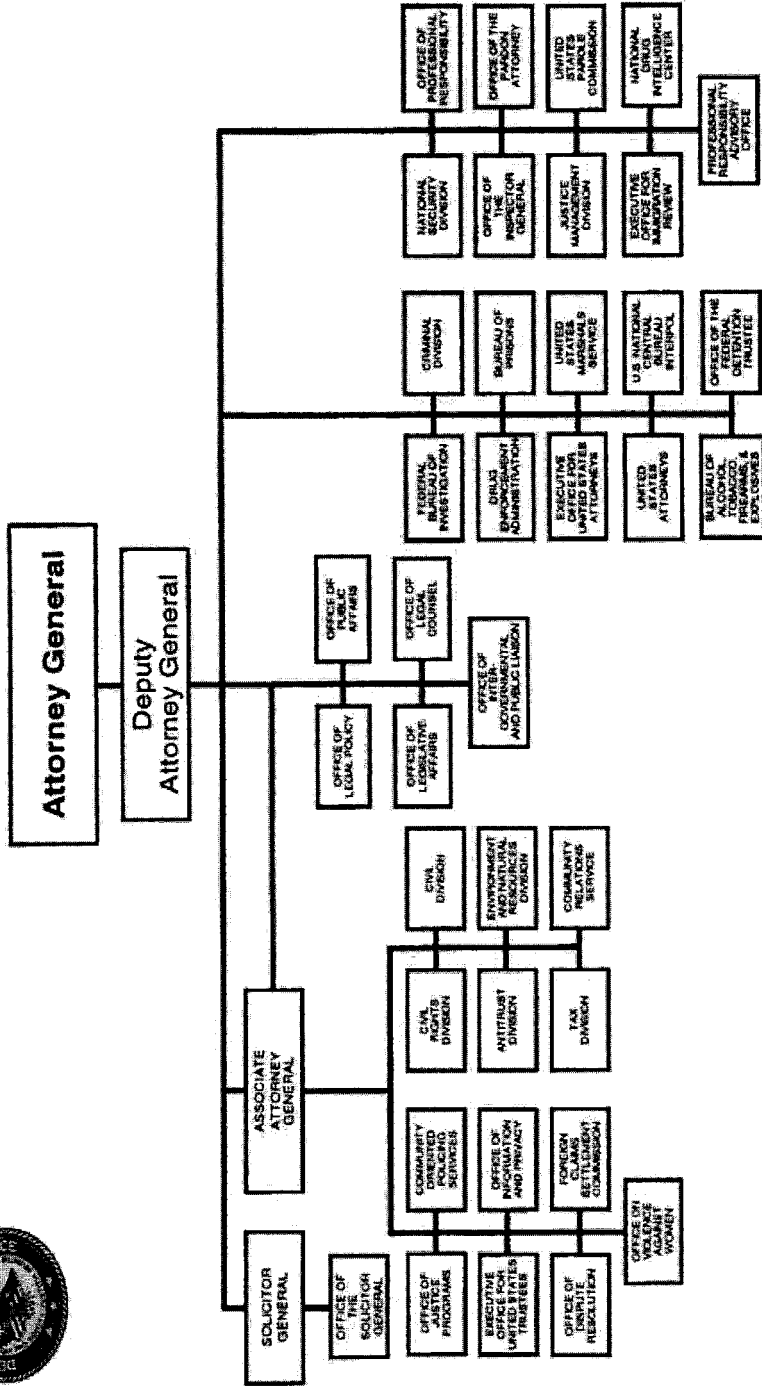
- United States Department of Justice Organization Chart
- Office of Justice Programs Organization Chart
- Office of the Chief Financial Officer Organization Chart

# U.S. Department of Justice

## Organization Chart

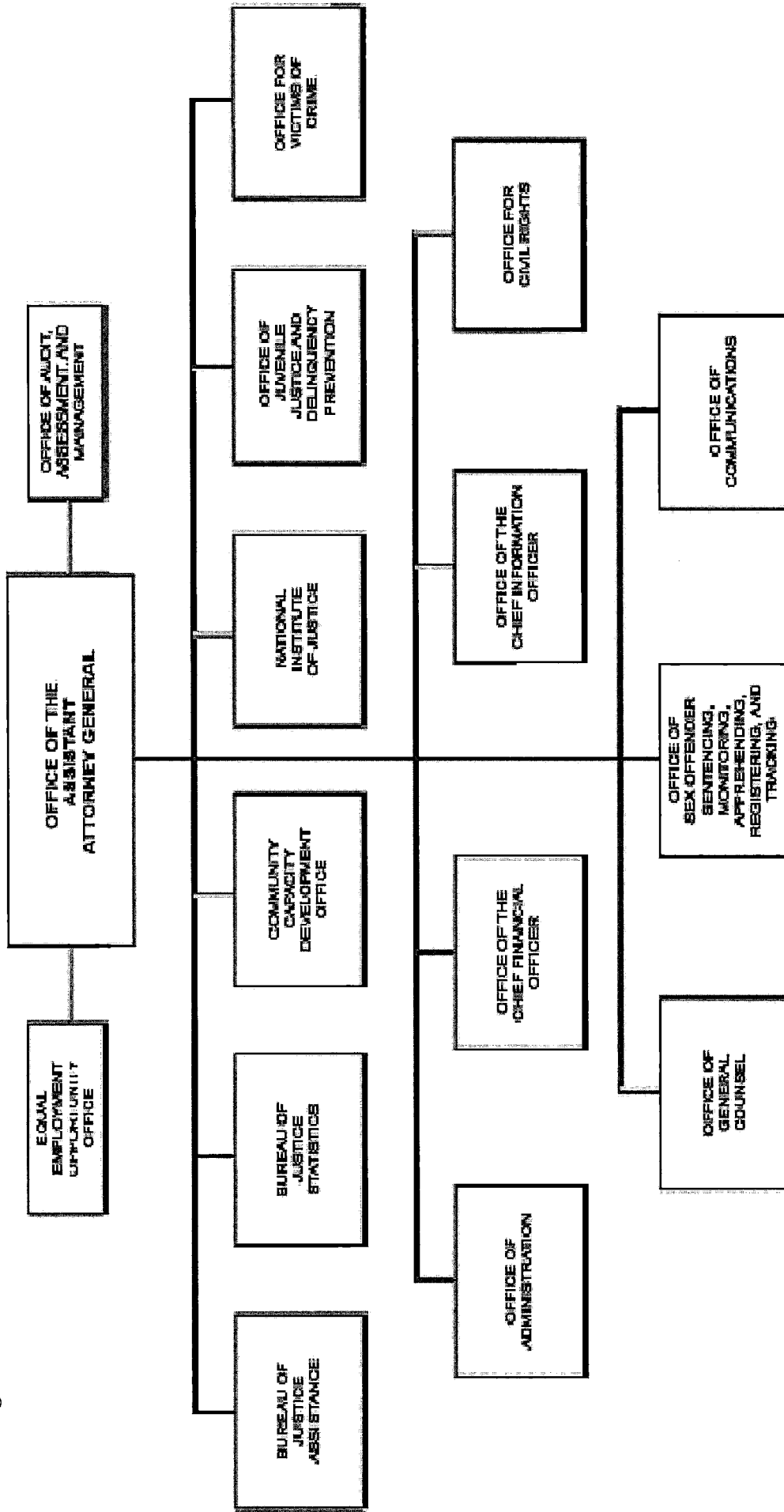


### U.S. DEPARTMENT OF JUSTICE



# Office of Justice Programs

## Organization Chart





# Appendices

Appendix I: ACH Vendor/Miscellaneous Payment Enrollment Form

Appendix II: Financial Status Report (Short Form)



**ACH VENDOR/MISCELLANEOUS PAYMENT  
ENROLLMENT FORM**

This form is used for Automated Clearinghouse (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this for completion.

**PRIVACY ACT STATEMENT**

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the U.S. Department of the Treasury to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearinghouse Payment System.

**AGENCY INFORMATION**

FEDERAL PROGRAM AGENCY  
OFFICE OF JUSTICE PROGRAMS

Grantee Employer/Taxpayer  
Identification Number:

AGENCY IDENTIFIER:  
OJP

AGENCY LOCATION CODE (ALC):  
15-04-0001

ADDRESS:

810 Seventh Street, NW., Attn: Office of the Chief Financial Officer Control Desk

Washington, D.C. 20531

AGENCY CONTACT:

Office of the Chief Financial Officer - Customer Service Center

TELEPHONE NUMBER

1-800-458-0786

**PAYEE/COMPANY INFORMATION**

NAME:

OJP Vendor Number:

ADDRESS:

E-MAIL ADDRESS:

CONTACT PERSON NAME:

TELEPHONE NUMBER:  
( )

**TO BE COMPLETED BY FINANCIAL INSTITUTION**

NAME:

ADDRESS:

NAME OF BANK OFFICIAL OR ACH COORDINATOR :

TELEPHONE NUMBER:  
( )

NINE-DIGIT ROUTING TRANSIT NUMBER:

DEPOSITOR ACCOUNT TITLE:

DEPOSITOR ACCOUNT NUMBER:

LOCKBOX NUMBER:

TYPE OF ACCOUNT:

CHECKING

SAVINGS

LOCKBOX

SIGNATURE AND TITLE OF AUTHORIZED BANK OFFICIAL OR ACH COORDINATOR:

DATE:

## EXHIBIT B

**FINANCIAL STATUS REPORT***(Short Form)***File the SF-269a report online at <https://grants.ojp.usdoj.gov>**

1. Federal Agency and Organizational Element to which Report is Submitted  <b>U.S. Dept. of Justice Office of Justice Programs (OJP)</b>		2. Grant or Award Number Assigned by OJP		OMB Approval No. <b>1121-0264</b>	Page <b>1</b>	of <b>1</b> page
3. Recipient Organization (Name and complete address, including ZIP code)						
4. Vendor Number		5. Recipient Internal Code or Identifying Number (If Any)		6. Final Report <input type="checkbox"/> Yes <input type="checkbox"/> No		7. Basis <input type="checkbox"/> Cash <input type="checkbox"/> Accrual
8. Funding/Grant Period (See Instructions) From: (Month, Day, Year)      To: (Month, Day, Year)			9. Period Covered by this Report From: (Month, Day, Year)      To: (Month, Day, Year)			
10. Transactions:			I Previously Reported	II This Period	III Cumulative	
a. Total outlays						
b. Recipient share of outlays						
c. Federal share of outlays						
d. Total unliquidated obligations						
e. Recipient share of unliquidated obligations						
f. Federal share of unliquidated obligations						
g. Total Federal share (Sum of lines c and f)						
h. Total Federal funds authorized for this funding period						
i. Unobligated balance of Federal funds (Line h minus line g)						
11. Indirect Expense	a. Type of Rate (place "x" in appropriate box) <input type="checkbox"/> Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed					
	b. Rate	c. Base	d. Total Amount		e. Federal Share	
12. Remarks: attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.						
a. Block/Formula Passthrough \$			PROGRAM INCOME:		d. Other \$	
b. Federal Funds Subgranted \$			c. Forfeit \$		e. Expended \$	
					f. Unexpended \$	
13. Certification    I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.						
Typed or Printed Name and Title				Telephone (Area code, number, and extension)		
Signature of Authorized Certifying Official				Date Report Submitted		

Standard Form 269a (REV 2002)

**Paperwork Reduction Act Notice.** Under the Paperwork Reduction Act, a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. We try to create forms and instructions that are accurate, can be easily understood, and which impose the least possible burden on you to provide us with information. You can write to the Office of Justice Programs, U.S. Department of Justice, 810 Seventh Street, NW., Washington, DC 20531.

Once the SF-269a is submitted online, **DO NOT FAX or MAIL** paper copies to OJP unless requested to do so.