

OCJP Grants Manual

This information is provided for use by all subrecipient staff receiving grant funds administered by the Tennessee Office of Criminal Justice Programs (OCJP). This Guide is to serve as reference for the financial and programmatic requirements/responsibilities of projects funded through the OCJP. Subrecipients of federal grants must adhere to all requirements in the applicable OMB Circulars and Common Rules ([Appendix T](#)), the [DOJ Grants Financial Guide](#), the [OMB Uniform Guidance](#), the [2020 Compliance Supplement](#), the [2021 Compliance Supplement Addendum](#), the [2022 Compliance Supplement Addendum](#), and the [2023 Compliance Supplement Addendum](#) depending on the federal award funding the grant.

****Please note**** The OCJP Grants Manual is a dynamic document. A downloaded or printed copy of the consolidated, searchable PDF version may not contain the most current information. OCJP highly recommends searching the PDF with the Ctrl + F function. Also, fund source specific requirements are not listed in the searchable PDF. To review fund source specific requirements, please reference the Fund Source Chapters.



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APPENDICES



I. Pre-award Requirements

A. Eligibility Requirements

For a detailed description of Grant Specific eligibility requirements please proceed to the specific [fund source section](#).

All **nonprofit agencies** new to OCJP funding are required to complete the [Pre Award Risk Assessment](#) and submit it, along with documents requested via the assessment, prior to going to contract. The Pre-Award Risk Assessment is used to determine the agency's ability to provide adequate internal controls, sound accounting practices, and sufficient written procedures in order to prevent fraud, waste, abuse and misuse of funds in addition to determining whether or not the agency is fiscally solvent. Additionally, before a non-profit agency engages with a client in services and activities, the agency must have the client complete the following consent form: [click here](#).

Faith-Based Nonprofit Agencies: For faith-based agencies to qualify for grant funds, the agency must comply with the following:

1. Federal and state funding may not be used to fund any inherently (or explicitly) religious activities, such as worship, religious instruction or proselytizing. Grantees and their subcontractors may still engage in inherently (or explicitly) religious activities, but such activities must be separate in time or place from the federally funded or state funded program and participation in such activities by individuals receiving services from the Grantee or their subcontractors must be voluntary.
2. Faith-based agencies may engage in explicitly religious and/or faith-based services and activities as a part of their regular business, but the organization must take steps to separate, in time or location, their inherently religious activities/services from the government-funded services that they offer.
3. Grantees and their subcontractors are not permitted to discriminate in the provision of grant funded services on the basis of a participant's religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice.
4. Faith-Based Organizations may, in some circumstances, consider religion as a basis for employment, and Grantees should notify their program manager if their organization or their subcontractors have such policies prior to the contract start date. Subsequently, agencies will be required to submit the following certification: [click here](#).

Law Enforcement Agencies: In order for law enforcement agencies to qualify for grant funds, the agency must comply with the following:

1. Fingerprints/UCR Reporting Requirement: The agency shall ensure that they will comply with Tennessee Code Annotated (TCA) 38-3-122, and will submit all fingerprints taken to the Tennessee Bureau of Investigation (TBI).
2. TIBRS Reporting Requirement: The Agency shall ensure that they comply with the rules and regulations of the Tennessee Bureau of Investigations (TBI) as empowered by Tennessee Code Annotated (TCA) 38-10-101 et seq. with regard to the Tennessee Incident Based Reporting System

(TIBRS). The agency will at all times maintain TBI certification of their compliance with those rules and regulations.

3. National Instant Criminal Background Check System (NICS) Reporting Requirement: The Agency shall ensure that they comply with Tennessee Code Annotated (TCA) 33-3-1115 with regard to NICS Reporting. The agency will at all times maintain compliance.
4. Death in Custody Reporting Act (DICRA) Requirement: The Agency shall comply with PUBLIC LAW 113-242 by submitting all deaths in custody to the TBI.
5. DNA and CODIS Requirements: The Agency shall ensure that they will comply with Tennessee Code Annotated (TCA) 40-35-321 regarding the collection of DNA.
6. Use of Force Requirement: The Agency shall ensure compliance with Executive Order No. 13929 on Safe Policing for Safe Communities and must have a certification from the Tennessee Association of Chiefs of Police regarding their Use of Force policies. The Agency must also comply with TCAs 38-3-121, 38-8-101, 38-8-113, 38-8-127:130, and 40-6-105.

Domestic Violence Shelters: All Family Violence Shelter Programs must comply with the [Family Violence Shelter State Standards](#).

Law enforcement, prosecution, and court projects: Consonant with federal statutes that pertain to firearms and background checks, including 18 U.S.C. 922 and 34 U.S.C. chapter 409, if the recipient (or any subrecipient at any tier) uses an award to fund (in whole or in part) a specific project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and when appropriate promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

All law enforcement, prosecution and court related projects must comply with the above and with State TCA 8-4-115 (revised language effective January 1, 2019) prior to requesting funding and throughout the course of life of a funded contract. Failure to do so could result in termination of funding.

Overdue Audit/Unresolved Audit Findings

OCJP **will not make** an award to any applicant who has an overdue audit or an open audit report where the subrecipient has not attempted to respond or has taken no action to resolve findings. Every applicant for funding is on notice that, unless they are in compliance with the audit requirements, their application may be rejected. OCJP shall obtain credit reports on any applicant where there is reason to believe that performance is substandard or there is evidence of financial irregularities.

B. Certified Assurances

The OCJP application consists of narrative application and budget. All applicants must agree to comply with special conditions and/or certifications provided at the time of the grant contract award which may include the following federal assurances and certifications:

1. **Debarment and Suspension Certification:** This certification must be submitted with any signed grant agreement. This government-wide common rule for debarment and suspension provides guidance or requirements that subrecipients shall meet in order to receive Federal funds.
2. **Lobbying Certification:** Federal funds may not be used by any subrecipient at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification or adoption of any law, regulation, or policy, at any level of government. See [2 C.F.R. § 200.450 \(Lobbying\)](#) for the complete regulation.

This Lobbying certification must be submitted with any signed grant agreement. The Department of Justice's (DOJ) codification of the government-wide common rule for restrictions on lobbying, [28 CFR Part 69](#), provides guidance on requirements that recipients shall meet in order to receive Federal funds.

The following restrictions on lobbying are applicable to all subrecipients (in addition to the restrictions imposed by recent revisions to [18 U.S.C. Sec 1913](#)). Interim Final Guidance for New Restrictions on Lobbying was published in the Federal Register in December 1989. The Lobbying Disclosure Act of 1995 included amendments that have an impact on the guidance provided in 1989. Per [31 USC §1352](#), the restrictions on lobbying are as follows:

To summarize, the common rule for lobbying requires certification that subrecipients certify they will comply with the lobbying common rule.

- I. No federally-appropriated funds may be expended by the recipient of a Federal award, cooperative agreement, or contract to pay a person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, or cooperative agreement. STOP & SASP funds only: The subrecipient may, however, use federal funds to collaborate with and provide information to federal, state, local, tribal and territorial public officials and agencies to develop and implement policies or model codes designed to reduce or eliminate domestic violence, dating violence, sexual assault, and stalking (as those are defined in 42 U.S.C. 13925 (a)) when such collaboration and provision of information is consistent with the activities otherwise authorized under the grant program.
- II. Each person who requests or receives from an agency an initial Federal contract, award, or cooperative agreement (including subcontracts, subawards, and contracts under cooperative agreements) exceeding \$100,000 shall file with that agency a certification regarding

lobbying. The certification shall be submitted to the agency making the award. Each person is certifying that:

- They have not made, and will not make, any payment for a lobbying activity
- If any non-Federal funds have been paid or will be paid to any person, they will complete and submit a "Disclosure of Lobbying Activities" form (Disclosure Form).
- The language of this certification will be included in their award documents for all subawards at all tiers (including subcontracts, subawards and contracts under awards, and cooperative agreements), and all subrecipients shall certify and disclose accordingly.
- Each person, if applicable, shall submit the Disclosure Form to the agency making their award. The subrecipient is responsible for reporting lobbying activities of its employees if the employee's tenure is less than 130 working days within one year immediately preceding the date of the subrecipient's application or proposal submission.
- A subrecipient, who requests or receives Federal funds, shall be required to file with OCJP a certification and a Disclosure Form, if applicable. All certifications shall be maintained by the agency making the award and all Disclosure Forms shall be forwarded from tier to tier until received by the Federal agency making the award. That agency shall forward all Disclosure Forms to the awarding agency. The Disclosure Form shall contain the following information:
 - Name and address of reporting entity
 - Federal program name;
 - Federal award number
 - Federal award amount; and
 - Name and address of lobbying registrant.

III. The above requirements DO NOT apply to Federally recognized Indian tribes or tribal organizations, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

IV. Each person shall file a Disclosure Form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any Disclosure Form previously filed by such persons. Examples of such events are:

- A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action;
- A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
- A change in the officer(s), employee(s), or member(s) contacted to influence or attempt to influence a covered Federal action.

V. Penalties and enforcement of lobbying restrictions shall be as follows:

- Any person who makes an expenditure prohibited by the New Restrictions on Lobbying shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
 - Any person who fails to file or amend the Disclosure Form to be filed or amended, if required, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
3. **Non-Discrimination Certification:** The potential subrecipient must assure and certify that they comply with all applicable civil rights non-discrimination requirements as set forth in the application packet. All subgrantee recipients (regardless of type of entity or amount awarded) are subject to prohibitions against discrimination in any program or activity, and must take reasonable steps to provide meaningful access for persons with limited English proficiency. If a subrecipient makes a false certification, the subrecipient is subject to suspension, termination, and debarment. The government-wide common rule for non-discriminatory practices, [28 CFR Part 42, Subpart D](#), provides guidance on requirements that subrecipients shall meet in order to receive Federal funds or, in the case of a recipient who is an individual, certify to OCJP that his or her conduct of award activity will be delivered in an equitable manner to all segments of the service population.

Sub-recipient agencies:

- I. Certify that the agency will maintain data to ensure that services are provided in an equitable manner to all segments of the service population and;
- II. Certify that the person in this agency or unit of government who is responsible for reporting formal and informal civil rights complaints and/or findings of discrimination will submit these complaints and/or findings, if any, to the Tennessee Office of Criminal Justice Programs within the Department of Finance and Administration within 45 days of the complaint/finding, and/or if the finding occurred prior to the grant award beginning date, within 45 days of the grant award beginning date. The notification to OCJP can be made by submitting the [Civil Rights Complaint Notification Form](#) to OCJP.
- III. Certify that **Services to Limited-English-Proficient (LEP) Persons comply with Title VI of the Civil Rights Act and the Omnibus Crime Control and Safe Streets Act.**
 - Subrecipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs.
 - Meaningful access may entail providing language assistance services, including interpretation and translation services, where necessary
 - Subrecipients are encouraged to consider the need for language services for LEP persons served or encountered both in developing their proposals and budgets and in conducting their programs and activities.
 - Subrecipients must document their process to provide meaningful access for LEP persons.
 - Resources available for meaningful access are in Appendix O: Language Access & Culturally Competent Staff and <http://www.ojp.usdoj.gov/about/ocr/lep.htm>.

4. **Equal Employment Opportunity Plan (EEOP) Certification:** This certification must be submitted with any signed grant agreement. All awards from the Office of Community Oriented Policing Services (COPS) are subject to the EEOP requirements; many awards from OJP, including awards from the Bureau of Justice Assistance (BJA), the Office of Juvenile Justice and Delinquency Prevention (OJJDP), and the Office for Victims of Crime (OVC) are subject to the EEOP requirements; and many awards from the Office on Violence Against Women (OVW) are also subject to the EEOP requirements. If you have any questions as to whether your award from the U.S. Department of Justice is subject to the Safe Streets Act's [EEOP requirements](#), please consult your grant award document, your program manager, or the [Office for Civil Rights](#) (OCR). [See 28 CFR, Subpart E](#).

Sub-recipient Agencies: Certify that the agency will register within 60 days of award start date with the Office of Justice Programs, Office for Civil Rights online Equal Employment Opportunity (EEO) Program Reporting Tool to submit the information requested and, if required, create and submit an EEO Utilization Report. The agency can access the tool at: <https://ocr-eeop.ncjrs.gov>.

If you have questions about registering , completing or submitting the Certification Form, please contact the [OCJP Assistant Director; QA](#) or the Office for Civil Rights, Office of Justice Programs, 810 7th Street, NW, Washington, DC 20531 (Telephone: (202) 307-0690 and TTY: (202) 307-2027).

5. **High-Risk Designation Reporting Certification (completed by all regardless of current designation):** The Office of Criminal Justice Programs (OCJP) subrecipients of Department of Justice (DOJ) funds are required to disclose whether the subrecipient is designated "high risk" by a federal grant-making agency. If the subrecipient is designated "high risk" by a federal grant-making agency, currently or at any time during the course of the period of performance under this award, **the subrecipient must disclose that fact and certain related information to Office of Criminal Justice Programs (OCJP) by emailing the Program Manager.**

For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following:

- I. The federal awarding agency that currently designates the recipient high risk,
- II. The date the recipient was designated high risk,
- III. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and
- IV. The reasons for the high-risk status, as set out by the federal awarding agency.

The recipient agrees to comply with any additional requirements that may be imposed by the OCJP during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

C. Federal Funding Accountability and Transparency Act of 2006 (FFATA)

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Federal Funding Accountability and Transparency Act of 2006 (FFATA), Public Law 109-282 Certification:

The potential subrecipient applying for Federal funding must comply with FFATA. In order to apply for federal funding with OCJP, the agency must have a DUNS number, register at www.SAM.gov and maintain an active registration, and when appropriate, must comply with Executive Compensation Reporting.

FFATA was signed on September 26, 2006, and requires the existence of a single searchable website, accessible by the public at no cost, that includes information about where and how federal funds are spent. This includes information on grants, subgrants, loans, awards, cooperative agreements and other forms of financial assistance funded with federal funds. Federal grant awards of \$25,000 or more began being reported October 1, 2010. State agencies that receive federal awards now report subgrant information for public access.

SAM Registration: To enable OCJP to report subawards in a timely manner, Subrecipients are also required to register with the System for Award Management (SAM). SAM is a centrally located database of all grantees and contractors with the federal government, and it will be used to populate the information needed to report subaward information. Registration can be done at www.SAM.gov. Your registration expiration date must be reported on Attachment A and a copy of confirmation submitted with your application. An **active SAM registration is required** to both do business with the federal government and to apply for funding opportunities. You must have an active entity registration to be eligible to receive contract awards or payments with federal funding. SAM registration is maintained by the federal government. However, the Office of Criminal Justice Programs (OCJP) requires an active SAM registration for all agencies receiving federal funding through OCJP.

On April 4, 2022, the federal government stopped using the DUNS Number and started using new Unique Entity Identifiers (UEI) as the primary means of identifying entities registered for federal awards government-wide in the System for Award Management (SAM). The UEI is a 12-character alpha-numeric value. Once issued, your agency's SAM UEI will not change. All DUNS numbers have been removed from SAM. This change simplifies the process of registering an organization to do business with the federal government. Entities will no longer need to go to a third party to obtain an identification number or get support. The transition to UEI will not impact an entity's registration expiration date or when renewal is necessary. Renew your registration prior to its expiration date, which is listed in the entity record on SAM.gov.

Executive Compensation Reporting: FFATA now requires a subgrantee of a federal award to report the names and total compensation of the most highly compensated executives (i.e., officers, managing partners, or any other employees in management positions) if they meet all of the following criteria:

1. 80 percent or more of the subgrantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320; and
2. \$25,000,000 or more in annual gross revenues from Federal procurement contracts, and Federal financial assistance subject to the Transparency Act; and

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3. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

D. Conflict of Interest

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

1. **Advice:** No official or employee of a State or unit of local government or a non-governmental subrecipient shall participate personally through decisions, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise in any proceeding, application, request for a ruling or other determination, contract, award, cooperative agreement, claim, controversy, or other particular matter in which award funds (including program income or other funds generated by Federally-funded activities) are used, where to his/her knowledge, he/she or his/her immediate family, partners, organization other than a public agency in which he/she is serving as an officer, director, trustee, partner, or employee, or any person or organization with whom he/she is negotiating or has any arrangement concerning prospective employment has a financial interest or less than an arms-length transaction.
2. **Appearance:** In the use of agency project funds, officials or employees of State or local units of government and non-governmental subrecipients shall avoid any action that might result in, or create the appearance of:
 - Using his or her official position for private gain;
 - Giving preferential treatment to any person;
 - Losing complete independence or impartiality;
 - Making an official decision outside official channels;
 - Affecting adversely the confidence of the public in the integrity of the government or the program.

For example, where a recipient of federal funds makes sub-awards under any competitive process and an actual conflict or an appearance of a conflict of interest exists, the person for whom the actual or apparent conflict of interest exists should recuse him- or herself not only from reviewing the application for which the conflict exists, but also from the evaluation of all competing applications.

Related: [Title 2, §200.112 - Conflict of Interest](#)

E. Additional Requirements

All applicants must agree to comply with the following federal requirements:

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1. **Environmental Tobacco Smoke:** This is a requirement for any Grantee that provides services to children under the age of 18. Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1964, requires that smoking not be permitted in any portion of any indoor routinely owned or leased or contracted for or by an entity and used routinely or regularly for provisions of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local government, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity. The applicant/grantee further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for the children's services and that all subgrantees shall certify accordingly.
2. **Immigration and Naturalization Service Form:** Grantee agrees to complete and keep on file, as appropriate, Immigration and Naturalization Service Employment Eligibility Verification Form (I-9). This form is to be used by recipients of federal funds to verify that persons are eligible to work in the United States.
3. **Mandatory Reporting of Abuse:** The Grantee agrees to comply with Tennessee Code Annotated (TCA), 37-1-403 and 37-1-605 by reporting suspected cases of child abuse to the Department of Children's Services and with Tennessee Code Annotated 71-6-103 by reporting cases of adult abuse to the Department of Human Services as required by law.
4. **National Environmental Policy Act:** The grantee agrees to assist BJA comply with the National Environmental Policy Act (NEPA) and other related federal environmental impact analyses requirements in the use of these grant funds. Accordingly, prior to obligating grant funds, the grantee agrees to first determine if any of the following activities will be related to the use of the grant funds. Grantee understands that this special condition applies to its following new activities whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the grantee, a subgrantee or any third party and the activity needs to be undertaken in order to use these grant funds, this special condition must first be met. The activities covered by this special condition are:
 - New Construction
 - Minor renovation or remodeling of a property either listed on or eligible for listing on the National Register of Historic Places located within a 100-year flood plain.
 - A renovation, lease or any other proposed use of a building or facility that will either result in a change to its basic prior use or significantly change its size.
 - Implementation of a new program involving the use of chemicals other than chemicals that are: purchased as an incidental component of a funded activity and traditionally used, for example, in office, household, recreational, or educational environments.

- For any of the grantee's programs or activities that will be funded by these grant funds, the Grantee upon specific request from the Bureau of Justice Assistance (BJA), agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity. The Grantee agrees to contact the Office of Criminal Justice Programs for additional implementation guidance before deciding on any renovation work for which the Grantee is unsure of the application of this condition.
5. **National Historical Preservation Act Compliance:** The Grantee shall adhere to the National Historical Preservation Act Compliance, Section 106 of the National Historic Preservation Act (16 U.S.C. Section 470, et seq., as amended) which states that prior to use of any grant funds to renovate, alter, or otherwise improve the exterior or interior of a building, applicants for federal funds must establish identification, record keeping, reporting, consultation and decision-making processes within their programs or procedures for administering grant funds. The Grantee agrees to contact the Office of Criminal Justice Programs for additional implementation guidance before deciding on any renovation work for which the Grantee is unsure of the application of this condition.
 6. **Human Subject Testing:** The Grantee shall adhere to the federal policy on protection of human subjects of research, the "Common Rule." The Common Rule is set forth in 28 CFR Part 46, *Protection of Human Subjects*, which requires that research involving human subjects be submitted to an independent review board for approval and that informed consent procedures be followed. Federal funds may not be expended for research involving human subjects unless the requirements of this policy have been satisfied, if the research is not covered by an exemption set forth in 28 CFR Section 46.101(b)(1).
 7. **Counter-terrorism Efforts:** The Grantee agrees when funds are spent on counter-terrorism or first-responder efforts, the Grantee shall notify the State of Tennessee's Department of Homeland Security to ensure coordination of such efforts.
 8. **Prohibition on Providing Funds to the Enemy:** The Grantee understands and agrees that it must exercise due diligence to ensure that none of the funds, including supplies and services, received under this a grant or cooperative agreement are provided directly or indirectly (including through subawards or contracts) to a person or entity who is actively opposing the United States or coalition forces involved in a contingency operation in which members of the Armed forces are actively engaged in hostilities, which must be completed through 2 C.F.R. 180.300 prior to issuing a subaward or contract and terminate or void in whole or in part any subaward or contract with a person or entity listed in SAM as a prohibited or restricted source pursuant to subtitle E of Title VIII of the NDAA, unless the Department of State provides written approval to continue the subaward or contract. The State has the authority to terminate or void this grant or cooperative agreement, in whole or in part, if the State becomes aware that the Grantee failed to exercise due diligence or if the State becomes aware that any funds received under a grant or cooperative agreement have been provided directly or indirectly to a person or entity who is actively opposing coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities. In addition to any other existing examination-of-records authority, the State is authorized to examine any records of the Grantee and its subawards or contracts to the extent necessary to ensure that funds, including supplies and services, available under this grant or cooperative

agreement are not provided, directly or indirectly, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, except for awards awarded by the Department of Defense on or before December 19, 2017 that will be performed in the United States Central Command (USCENTCOM) theater of operations.

9. **Public Accountability:** If the Grantee is subject to Tennessee Code Annotated, Title 8, Chapter 4, Part 4, or if the Grant contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee shall display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

10. **VAWA Statutory Eligibility Regulations for States and Grantees:** In order to qualify for funds provided under the Violence Against Women Act, Tennessee has certified that practices across the State are in compliance with following regulations:

- Forensic medical examination payment requirement for victims of sexual assault
- The State incurs the full out-of-pocket costs of forensic medical exams for victims of sexual assault.
- Exams to victims are provided free of charge to the victims;
- Arranges for victims to obtain such exams free of charge to the victims; and
- Subrecipients provide information at the time of the forensic medical exam to all victims, including victims with limited or no English proficiency, regarding how to obtain reimbursement; and
- Subrecipients cannot require a victim of sexual assault to participate in the criminal justice system or cooperate with law enforcement in order to be provided with a forensic medical exam, or to be reimbursed for charges incurred on account of such an exam.
- Filing Costs for Criminal Charges
 - A subrecipient will not be entitled to funds unless it certifies that its laws, policies and practices do not require, in connection with the prosecution of any misdemeanor or felony domestic violence offense, or in connection with the filing, issuance, registration, or service of a protection order or a petition for a protection order, to protect a victim of domestic violence, stalking, or sexual assault, that the victim bear the costs associated with the filing

of criminal charges against the offender, or the costs associated with the filing, issuance, registration, or service of a warrant, protection order, petition for protection order, or witness subpoena, whether issued inside or outside the state or local jurisdiction.

- Gun Control Laws Related to Domestic Violence
 - Certifies that its judicial administrative policies and practices include notification to domestic violence offenders of the requirements delineated in section 922(g)(8) and (g)(9) of title 18, United States Code, and any applicable related Federal, State or local laws.
- Polygraph Examination for Victims of Alleged Sexual Offenses
 - Certifies that its laws, policies, and practices will ensure that no law enforcement officer, prosecuting officer or other government official shall ask or require an adult, youth, or child victim of an alleged sex offense as defined under Federal, tribal, State, territorial, or local law to submit to a polygraph examination or other truth telling device as a condition for proceeding with the investigation of such an offense; and
 - The refusal of a victim to submit to a polygraph or other truth telling examination shall not prevent the investigation, charging, or prosecution of an alleged sex offense by a state or local unit of government.

If a Grantee becomes aware that one or more of these regulations is not being followed, the Grantee must immediately report this to their [OCJP Program Manager](#).

1. **Federal Debt (OMB Circular A-129):** OCJP holds subrecipients accountable for any overpayment, audit disallowance, or any other breach of award that results in a debt owed to F&A/OCJP involving Federal Grant money. The Federal Debt Collection Act of 1996 states that if, after written notification, grantee payments continue to be delinquent, the debt will be referred to a collection agency for further action. The State shall apply interest, penalties, and administrative costs to a delinquent debt owed by a debtor pursuant to State requirements and the Federal Claims Collection Standards and [OMB Circular A-129](#).
2. **Drug-Free Workplace:** The government-wide common rule for debarment and suspension and drug-free workplace, [28 CFR Part 67](#) provides guidance on requirements that subrecipients shall meet in order to receive Federal funds or, in the case of a recipient who is an individual, certify to the agency that his or her conduct of award activity will be drug-free. If a subrecipient makes a false certification, the subrecipient is subject to suspension, termination, and debarment.

Sub Part F of 28 CFR part 67 implements the statutory requirements of the Drug-Free Workplace Act of 1989. All subrecipients receiving awards from any federal agencies shall certify to that agency that they will maintain a drug-free work place.

- I. OCJP shall submit a drug-free workplace certification to the Bureau of Justice Assistance and shall be responsible for obtaining a drug-free workplace certification from each State agency that is sub-awarded funds. Subrecipients who are not State agencies are not required to submit a drug-free workplace certification.

- I. Pre-award Requirements

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- II. There are two different certifications: one for individuals and one for organizations. The individual subrecipient certifies that he or she will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in conducting any activity with the award. The organizational subrecipient certifies that it will provide a drug-free workplace by:

The drug-free workplace common rule requires that ONLY direct recipients of Federal awards certify they will comply with the drug-free workplace common rule. There is no dollar threshold for certification.

- I. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the recipient's workplace and specifically the actions that will be taken against employees for violation of such prohibition.
- II. Establishing a drug-free awareness program to inform employees about:
- III. The dangers of drug abuse in the workplace;
- IV. The subrecipient policy of maintaining a drug-free workplace
- V. Any available drug counseling, rehabilitation, and employee assistance programs; and
- VI. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace
- VII. Making it a requirement that each employee to be engaged in the performance of the award be given a copy of the employer's statement about drugs in the workplace.
- VIII. Notifying the employee that, as a condition of employment under the award, the employee will:
- IX. Abide by the terms of the statement; and
- X. Notify the employer of any criminal statute conviction for a violation occurring in the workplace not later than five(5) business days after such a conviction.
- XI. Notifying OCPJ within ten (10) days after receiving notice from an employee or otherwise receiving actual notice of such conviction.
- XII. Taking one of the following actions, within 30 days of receiving notice, with respect to any employee who is so convicted:
- XIII. Taking appropriate personnel action against such an employee, up to and including termination; or
- XIV. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.
- XV. Making a good faith effort to continue to maintain a drug-free workplace.

I. Pre-award Requirements

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3. **Computer Networks:** The subrecipient understands and agrees that: (a) No award funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography, and (b) Nothing in subsection (c) limits the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.
4. **Religious Discrimination:** The subrecipient understands and agrees that award funds may not be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.
5. **Multiple Awards:** The subrecipient agrees that if it currently has a contract with OCJP and receives additional federal funding, outside OCJP, and those funds are to be used, in whole or in part, for one or more of the identical cost items for which funds are being provided under the OCJP contract, **the subrecipient will promptly notify the [OCJP program manager](#) in writing.**
6. **Federal Anti-Trafficking Laws:** The subrecipient must agree to comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients (“subgrantees”), or individuals defined (for purposes of this condition) as “employees” of the recipient or of any subrecipient. The details of the subrecipients’ obligations are outlined below:

The **Trafficking Victims Protection Act** (TVPA) of 2000 (<https://www.gpo.gov/fdsys/pkg/BILLS-106hr3244enr/pdf/BILLS-106hr3244enr.pdf>) is the first comprehensive federal law to address trafficking in persons. The law provides a three-pronged approach that includes prevention, protection, and prosecution. The TVPA was reauthorized through the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2003, 2005, 2008, and 2013.

Under U.S. federal law, “severe forms of trafficking in persons” includes both sex trafficking and labor trafficking:

Sex trafficking is the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purposes of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such an act has not attained 18 years of age (22 USC § 7102).

Labor trafficking is the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purposes of subjection to involuntary servitude, peonage, debt bondage, or slavery, (22 USC § 7102).

Specific Requirements are here and below - <http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm>

II. Achievement of Operational Status

The expectation for accepting an award from OCJP is that the subrecipient will have in place a system that is adequate for carrying out the administrative/financial, as well as the programmatic aspects of the grant award. This includes good communication between the board of directors (if applicable), administrative/financial staff and the programmatic staff. Management should pay particular attention to the budget and expenditure process of the grant award. The subrecipient management devotes a great deal of thought to the purpose of the grant, therefore, everyone who works within the grant must be familiar with the fiscal and programmatic aspects of the OCJP Administrative Manual so that the project and funding are managed appropriately.

A. Program and Fiscal Responsibilities

The subrecipient must establish and maintain program records to ensure that the direct and subcontracted project activities are in compliance with the approved Project Narrative/Logic Model. Such records must be readily available for review.

1. The subrecipient must establish and maintain fiscal controls and procedures that assure that federal and/or local funds available for the grant program are properly disbursed.
2. Funds awarded may be expended only for activities and purposes set forth in the approved Project Narrative/Logic Model and budget within the approved grant period. (The "grant period" is that period of time listed in the grant contract.)
3. Grant funds must be obligated and expended prior to the termination date of the grant award period. Obligated funds are those funds for which goods or services have been encumbered, such as a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the begin date. These items or services must have been received and there must be an obligation to pay by the end date of the award period.
4. Requirement to report actual or imminent breach of personally identifiable information (PII): The sub-recipient must have written procedures in place to respond in the event of an actual or imminent breach if the sub-recipient 1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of personally identifiable information (PII) or 2) uses or operates a Grant Management system, i.e. NCAtrak. The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OCJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

B. Operational Timeline

Each federally funded project not achieving operational status within sixty (60) days of the beginning date of the grant period listed in the grant contract must write a letter or email to the Program Manager assigned to the subrecipient and send to the Department of Finance and Administration, Office of Criminal Justice Programs, describing steps taken to initiate the project, reasons for delay, and the projected operational date. If operational status is not achieved within ninety (90) days of the beginning

date of the grant period, the subrecipient must submit a second letter or email explaining the additional delay in implementation. The Office of Criminal Justice Programs may, after reviewing the circumstances, elect to cancel the project and redistribute funds.

C. Project Director

This is the individual who will be in direct operational charge of the project. The agency's management will make it explicit to the selected Project Director what his/her duties will entail, as Project Director. These responsibilities include ensuring that the project is implemented as described in the Project Narrative/ Logic Model, and assuming oversight responsibility for the direct and subcontracted services provided. The Project Director must ensure that all grant requirements are completed and documented within the specified deadlines as provided by OCJP through the Administrative Manual or through correspondences from OCJP staff.

The Project Director should be a person who combines knowledge and experience in the project area with ability in administration and supervision of personnel. He/she shares responsibility with the financial office for seeing that all expenditures are within the approved budget and ensures that all reporting requirements are met. It is the responsibility of the Project Director to assure that any subrecipient personnel working within the grant-funded project receive copies of all information distributed from the Office of Criminal Justice Programs, including a copy of the executed current contract. All new Project Directors are responsible for completing [Civil Rights Compliance Training](#) within 90 days of start date as well as providing periodic training for staff.

The Project Director is responsible for ensuring that client files are maintained on each individual receiving direct or subcontracted services under this grant. If multiple funding sources support a single function (i.e. shelter), the Project Director must be able to delineate which funding source(s) support which service(s) the individual received. The file on each individual should minimally include identifying information about the individual served, services provided and dates of service(s).

The individual selected as Project Director cannot be the same person who serves as Financial Director for the project. The Office of Criminal Justice Programs must be notified in writing within ten (10) days in the event of a change in Project Director.

For minimum client file requirements, please reference [Chapter XX. Retention and Access to Records](#).

D. Financial Director

This is the person who is responsible for fiscal matters relating to the grant-funded project and is ultimately in charge of accounting, management of funds, verification of expenditures, and grant financial reports. The Financial Director must establish and maintain grant accounting systems and financial records to accurately account for funds awarded to them. The Financial Director must be aware of acceptable accounting practices and must possess the fiscal skills necessary to adhere to the fiscal requirements of the grant, as specified in [Chapter III – Financial Requirements](#).

The Financial Director must be familiar with the OCJP Administrative Manual and all of the responsibilities that correspond with the fiscal function of OCJP grants. The Office of Criminal Justice Programs must be notified in writing within ten (10) days in the event there is a change in Financial Director.

E. Authorized Official

This is the individual who is authorized to enter into binding commitments on behalf of the Authorizing Agency. This is the person who will sign contract between your organization and the state.

1. State and local government agencies: Authorized Officials must be Mayors, City Managers, County Executives/Mayors, District Attorneys, or State Commissioners. The Office of Criminal Justice Programs must be notified in writing within ten (10) days in the event of a change in Authorized Official.
2. Non-profit agencies: The Authorized Official must be the President/Chairperson of the Board of Directors who will be signing the grant on behalf of the agency's governing board. As the legal contracting entity and person ultimately responsible for its overall operation, the board President/Chairperson, is the board representative of the governing board financially liable for the service program described in the legal agreement. The Office of Criminal Justice Programs must be notified in writing within ten (10) days in the event of a change in President/Chairperson of the Board of Directors of the non-profit organization.

In rare cases, OCJP will accept that an Authorized Official has delegated signatory authority for the signing of legal binding contracts, special conditions, certifications, and other grant forms. The designee is the person granted authorization to sign the Authorized Official's signature. The designee is only valid for the term of current official or Board Chair, unless otherwise stated in a government charter/resolution or nonprofit bylaws.

Before a designee can remit any signed documents, a completed Signature Authorization Packet must be received and accepted by OCJP. This packet must include, board minutes or government charter/resolution or nonprofit bylaws that clearly define that the Board/Governing Body has selected the proposed designee, that it is understood that the designee is signing legal documents on behalf of the agency and binding the agency by signature to the documents signed and a copy of the policies and procedures that pertain to delegating signatory authority. A new packet must be completed once a new Authorized Official takes office unless the designation is made by City or County charter/resolution or nonprofit bylaws.

A designee must sign documents for OCJP with the authorized official's name and the designee's initials, unless otherwise determined. When submitting the Signature Authorization Packet for approval by OCJP, OCJP will need a document on agency letterhead that provides the following information:

- Printed Name and Title of the Authorized Official
- Printed Name and Title of the Designee
- Description of what documents the Designee is authorized to sign

II. Achievement of Operational Status

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- Duration of designation (cannot exceed the tenure of the Authorized Official, unless designated in a governmental charter/resolution).
- Authorized Official's signature
- Designee's signature as the Authorized Official as it will appear on documents signed for OCJP (Authorized official's name and designee's initials).

If the designation is made in a government charter/resolution, or is in a nonprofit's bylaws, then the agency must provide that document. OCJP will then accept signatures for legal documents as described in the charter/resolution/bylaws.

See OCJP [Appendix M– Non-Profit Organizations and the Governing Board of Director's Responsibilities](#) and the [Office of Tennessee Attorney General's Nonprofit Guidebook](#).

F. Non-profit Board of Directors

The governing board of non-profit organizations is the legal contracting entity and ultimately is responsible for its overall operation. It is the governing board's responsibility to act as stewards, accountable to the state's government that granted the organization their respective charters, accountable to the federal government that granted tax-exempt status, and ultimately accountable to the public itself. See OCJP [Appendix M– Non-Profit Organizations and the Governing Board of Director's Responsibilities](#).

All non-profit board members of agencies funded by the Tennessee Office of Criminal Justice Programs (OCJP) are required to complete the Resource Sharing Project E-Learning Course for Board of Directors found at: <http://www.resourcesharingproject.org/e-learning-course-boards-directors>. New board members must complete this training within three months of joining the board. A [certificate of completion](#) for each board member must be kept in the grant file.

G. OCJP Notifications

Subrecipients must provide written notification to OCJP within ten (10) days from the date of occurrence of any of the following:

1. Any change of address for Authorized Official, Project Director, or Financial Director for the grant-funded project.
2. Any lawsuit filed against an OCJP funded project. (Note: Notification of EEOC claims or lawsuits claiming discrimination must follow the procedure outlined in [Chapter XXII: Civil Rights](#).)
3. Any cessation or interruption of implementation of project activities arising from litigation, loss of staff, or programmatic restructuring
4. Change in project site or location
5. Change in or temporary absence of the Project Director or Financial Director
6. Change in Authorized Official.
7. Change in the name of the person responsible for reporting civil rights findings of discrimination
8. Addition of equipment and/or Sensitive Minor Equipment to project budget not previously identified (Note: Sensitive Minor Equipment requires prior approval from OCJP, see Chapter XIV: Allowable Costs and Chapter XV: Unallowable Costs)

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9. Change in scope of programmatic activities or purpose of project
10. Change in e-mail address of Project Director, Financial Director, Authorized Official or any personnel funded by this grant.
11. Change in grant funded personnel positions. Temporary staff changes should also be reported.
12. Documentation of current registration in the US Federal Governments System for Award Management (SAM).
13. Vacancies in all grant funded positions MUST be reported in writing (e- mail, fax, or mail) to OCJP within 10 days of the vacancy. All grant funded vacant positions MUST be filled within 45 days of the vacancy. Failure to abide by this requirement may result in the agency losing the position(s) in question. If the position(s) is/are not filled within 45 days, the subrecipient must submit a letter to OCJP justifying the delay in filling the position and explaining how the program is providing services while the position is vacant. After 45 days OCJP must receive a monthly report of this information until the position is filled. Once the vacant position(s) is filled the subrecipient agency MUST notify OCJP in writing within 10 days of the following information as it pertains to the new employee(s):
 - a. Position Title
 - b. Name of Employee
 - c. Date Hired
 - d. Salary
 - e. Percent of time allotted to the grant funded project
 - f. Job Description

PLEASE NOTE: Agencies must use the Personnel Spreadsheet to notify OCJP of staff on the grant(s), and any staffing changes made throughout the life of the project. You are required to submit this form to your OCJP program manager in accordance with the above staff notification requirements

14. Receipt of any additional Federal Grant funds to be used for a currently funded OCJP project. Agencies may utilize the [Other Funds Form](#).
15. Any change in the subrecipient's banking information that is being used for direct deposit payment of OCJP grant funds must be reported. The subrecipient must submit a completed original (not a copy) Automated Clearing House (ACH) form directly to:

Attn: Supplier Maintenance
21st Floor WRS Tennessee Tower
312 Rosa L Parks Ave
Nashville, TN 37243

See [Appendix G ACH Form](#).

16. In the event of a formal allegation of civil rights discrimination, including those related to employment, OCJP subrecipients must immediately notify the [OCJP Civil Rights Coordinator](#) by completing the [Appendix P: Civil Rights Complaint Notification form](#) within forty-five (45) days. Subrecipients must report, in writing, the status of any on-going investigations to OCJP. A subrecipient may request exemption or modification of this requirement by submitting a written request to the [OCJP Civil Rights Coordinator](#).

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17. In the event a federal or state court or a federal or state administrative agency makes an adverse finding of discrimination against a subrecipient agency, after a due-process hearing, on the basis of race, color, national origin, religion, age, sex, or disability the subrecipient agency must send a copy of the finding to OCJP within forty-five (45) days.

H. Grievance Procedures

All OCJP funded agencies providing direct services are required to establish a written grievance process in their policies and procedures which provides a means through which service recipients may present grievances about the operation of the services program. Clients should receive a copy of the grievance procedure and this should be documented in the client file.

These policy requirements are IN ADDITION to the required process for responding to unlawful discrimination (see Chapter XII. Civil Rights) AND the required posting of fraud, waste, and abuse notifications (see Chapter I. Pre-Award Requirements, Section E. Part 5. Public Accountability

Grievances filed in accordance with an agency's policy should be investigated and escalated in a timely fashion. The agency's policy should establish a reasonable maximum threshold that a complaint will be open without resolution to assure that all grievances can be investigated thoroughly and resolved expeditiously. When a response to a grievance is furnished by any person other than an agency's board or government agency's appointing authority there should be a process of appeal that terminates with those entities.

A copy of each grievance filed should be maintained by the agency. A written response should be provided to the individual who filed each grievance

At a minimum all grievance policies shall include:

1. The individual or process for submitting a grievance.
 - a. This process should not allow a grievance to be submitted to the individual that is the subject of the grievance.
2. A reasonable period for investigating and responding to a grievance.
3. The process for appeal if the response is furnished by any individual other than an agency's board or appointing authority.
4. A copy of the grievance and disposition must be maintained in writing in the individual's file.

Pursuant to the Tennessee Family Violence Shelter Standards agencies who meet the standards of a "family violence shelter" the program policy regarding grievances shall require:

1. Procedures which clearly describe the lines of decision-making for appeals.
2. Appeals to be submitted in writing within 24 hours of the event.
3. Response to an appeal at each level to be within 24 hours and in writing.
4. A copy of the grievance, supportive information and disposition of the appeal must be maintained in the individual's file.

Grievance Policy Example:

The [AGENCY] is a broad based regional organization providing a full complement of quality services to empower individuals and families to improve their quality of life through a dedicated caring staff. It is a non-profit 501(3)(c) entity and has a variety of grant funding programs to provide services with a variety of private and public funded sources. The public funding includes, but is not limited to, the TN Office of Criminal Justice (FVPSA) and [CITY]. Their grievance procedures are as follows:

If, for any reason you have a problem concerning the services you have received, you may follow the procedure listed below to state your grievance.

1. In writing, state your grievance for the [AGENCY] Director. He/she will respond to your complaint within 24 hours.
2. If his/her response does not meet your satisfaction, please submit your grievance in writing to the [AGENCY] Executive Director. He/she will answer your grievance in writing within 24 hours of receiving notification of your complaint.
3. If this response does not satisfy your complaint, you have the final recourse to submit to the [AGENCY] Board of Directors, [ADDRESS], a copy of your complaint. The [AGENCY] Board of Directors will act according to its procedures for grievance within 24 hours.



III. Financial Requirements

Standards for Financial Management Systems

All grant subrecipients are required to establish and maintain grant accounting systems and financial records to accurately account for funds awarded to them. As a recipient, you must have a financial management system in place that is able to record and report on the receipt, obligation, and expenditure of grant funds.

Accounting Systems

These records shall include both federal funds and all matching funds when applicable. Subrecipients shall expend and account for grant funds in accordance with state and local laws and procedures for expending and accounting for their own funds. State and local procedures must ensure compliance with the financial management standards in the DOJ Grants Financial Guide. For funding related to federal awards granted for the federal fiscal year 2015 or later refer to [DOJ Grants Financial Guide, Section 2.3, Standards for Financial Management Systems](#).

Additional accounting system requirements are as follows:

- a. Each subrecipient is responsible for establishing and maintaining an adequate system of accounting and internal controls. Each subrecipient is also responsible for ensuring that an adequate system exists for any subcontractors, when applicable.
- b. An acceptable and adequate accounting system:
 1. Presents and classifies projected historical cost of the grant as required for budgetary evaluation purposes.
 2. Provides cost and property control to ensure optimal use of funds
 3. Controls funds and other resources to assure that the expenditure of funds and use of property are in conformance with any general or special conditions that apply to the subrecipient
 4. Meets the prescribed requirements for periodic financial reporting of operations; and
 5. Provides financial data for planning, control, measurement, and evaluation of direct and indirect costs.
- c. For Local Governments and Nonprofit Organizations, the [Tennessee Comptroller of the Treasury](#) has several publications available on-line for assistance with meeting the Financial Management Systems standards:
 1. Internal Control and Compliance Manual for Tennessee Municipalities the City Manual

2. Confidential Drug Funds Manual

Local Governments and Nonprofit Organizations should be familiar with the applicable manuals to assure adherence to the financial requirements contained for managing grant funds. In addition to the OCJP Administrative Manual, and the subrecipient grant contracts, the OCJP staff will use these manuals in the monitoring process.

Accounting Systems Criteria

The subrecipient is free to use any accounting system that the subrecipient has established if the system meets the following minimum criteria:

- a. Receipts should be classified by the source of funding, i.e. – the name and number of the grant to which the costs will be charged. As a matter of convenience, subrecipients are encouraged to use the grant award number assigned to the project by the Office of Criminal Justice Programs, unless currently existing agency coding structures prevents this. If costs attributable to the grant program will include those from sources other than the federal grant, such as match, donations, income earned by the project, or funds from other sources, this should be clearly noted on receipts.
- b. Expenditures should be classified by the budget categories included in the grant application. All expenditure documents, regardless of type, must include the assigned subgrant number. Non-federal matching funds required at the project level must be classified in these same categories.
- c. Entries in the accounting records should refer to subsidiary records and/or documentation that supports the entry and which can be readily located.
- d. Each grant should be accounted for separately. Each year of a continuation grant is regarded as coming from a separate fund source and should be accounted for as such. All project records should reflect the grant number listed on the award document. Subrecipients are prohibited from commingling funds on either a program-by-program basis or a project-by-project basis.
- e. The accounting system must be such as to provide adequate information for the prompt and proper submission of semi-annual and annual financial reports.
- f. The accounting system should be integrated with an adequate system of internal controls to safeguard the funds and assets covered, check the accuracy and reliability of accounting data, promote operational efficiency and encourage adherence to prescribed management policies.
- g. The accounting system should include a system of property records for all equipment (see equipment section).

All required financial records shall be maintained for five (5) years from the date of the final financial report or until all questions arising from an audit have been resolved, whichever is later.

Reporting Irregularities

The recipient is responsible for promptly notifying OCJP and the State of Tennessee Comptroller of any illegal acts or irregularities and or proposed actual actions. Please notify the State of Tennessee Comptroller Hotline at 1-800-232-5454 of any irregularities that occur. Illegal acts include: conflicts of interest, falsification of records or reports, misappropriation of funds or other assets, and/or fraud, waste or abuse. See also [Chapter XXI. Sanctions and Termination of Funding.](#)

The recipient and any subrecipients ("subgrantees") must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award -- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by-- (1) online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online"); (2) mail directed to: U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Grantee Reporting, 950 Pennsylvania Ave., NW, Washington, DC 20530; (3) by facsimile directed to the DOJ OIG Fraud Detection Office (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <http://www.usdoj.gov/oig>.

Commingling of Funds

The accounting systems of all subrecipients must ensure that:

- a. Agency funds are not commingled with funds from other Federal agencies.
- b. Commingling funds on either a program-by-program basis or project-by-project basis are prohibited.
- c. Funds specifically budgeted and/or received for one project may not be used to support another. The subrecipient must establish a system to provide adequate fund accountability for each project.

Supplanting of Funds

Federal funds must be used to supplement existing funds for program activities and not replace those funds, which have been appropriated for the same purpose. Potential supplanting will be the subject of application review, as well as pre-award review, post-award monitoring, and audit. If there is a potential presence of supplanting, the subrecipient will be required to supply

documentation demonstrating that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

Keys to avoiding a supplanting violation:

- a. Hire or purchase only new, additional personnel or equipment/technology, and/or other approved costs;
- b. Pay only for personnel hired, equipment purchased, and/or other approved costs incurred on or after the award start date; and
- c. Make sure the grant-funded purchases or hires are over and above the number of positions, equipment/technology, and/or other approved costs that otherwise would have been funded by the grantee.

A grantee may promote an existing locally funded employee to a grant funded position only if the grantee “backfills” the locally-funded position prior to the expenditure of grant funds on the new position. Grantees should obtain written approval.

Match Requirements

Federal Grant funds may be used to pay the pre- set percentage of the cost of a project. (see chart below) *The remaining non-federal share must be in cash or in-kind from non-federal funds.* Match is restricted to the same use of funds as allowed for the Federal funds. Match must be directly related to the project goals and objectives and must be documented in the same manner as grant funded activities.

FUND	TYPE	FEDERAL REIMBURSEMENT RATE	MATCH PERCENTAGE
FVPSA	Cash or in-kind	80%	20%
STOP	Cash or in-kind	75%	25%
VOCA	Cash or in-kind	80%	20%
RSAT	Cash	75%	25%

The formula to be used in calculating match and total cost requirements is:

Federal Funds divided by Federal Reimbursement Rate = TOTAL Cost

TOTAL Cost multiplied by Match Percentage =TOTAL Match Amount

Match requirements are as follows:

1. Match is the grantee's share of the project costs.
2. Match funds must meet the same criteria as grant dollars:
3. Restricted to the same use of funds as allowed for the Federal funds
4. Applicable to the program, allocable, allowable, reasonable and necessary
5. Allowable according to applicable OMB Guidance

III. Financial Requirements

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6. Be in accordance with Generally Accepted Accounting Principles (GAAP)
7. Cannot be used to match another Federal grant
8. Cannot be from a Federal source
9. Conform to special grant limitations and restrictions (for example, some grants require cash match)
10. Be shown in the approved budget
11. Funds required to pay the non-federal portion of the cost of each project must be in addition to funds that would otherwise be available for the project.

In-kind donation cannot be recognized as match (in-kind expense) **until it is used in the project.** Additionally, in-kind match must be reflected on the invoice when the invoice is submitted.

Match must be reported on the monthly reimbursement invoices submitted to OBF. Cash match should be reported in the line in which the cash match expense occurred and in-kind match should be reported in the in-kind line on the reimbursement invoice for any donations actually used in the project by the agency or clients that month.

*For VOCA match waivers, please see the [VOCA Fund Source chapter](#).

Cash Match

Cash match (hard) includes actual cash spent by the subrecipient for project-related costs. Accounting records should be verifiable and trace back to source documentation including cash receipts journal, general ledgers, deposit tickets, bank statements, copies of checks/donations, and documentation that the cash match is not from a Federal source, and is not being used to match any other grants.

Cash match should NOT BE show on line 24, "In-Kind Expense" but should be shown on the line item budget and Monthly Invoice for Reimbursement on the expense line where the cash was expended. For example, if cash match was used to pay salaries and supplies, show how the match on the salaries and supplies line item.

Cash match may be applied from the following sources:

1. Funds from State and local units of government that have a binding commitment of matching funds for programs or projects.
2. Funds contributed from private sources.
3. Program income and the related interest earned on that program income generated from projects may be used as match provided it is identified and approved prior to making an award.
4. Funds appropriated by Congress for the activities of any agency of a Tribal government or the Bureau of Indian Affairs performing law enforcement functions of Tribal lands may be used as matching funds.
5. Otherwise authorized by law.

In-Kind Match

In-kind match does not involve cash. "In-kind" is the value of something received or provided, which is beneficial to the program, but for which no cash exchanges hands. Since it is much easier to raise in-kind match than it is cash match, Federal and State guidelines regarding in-kind are strict and require careful documentation. In-kind contributions must be verifiable from grantee records, necessary and reasonable, allowable and not included as a contribution under any other federal award.

a. **Examples** of allowable in-kind contributions include, but are not limited to:

1. Donations of expendable equipment
2. Office supplies
3. Workshop or classroom materials
4. Work space
5. Monetary value of time contributed by volunteer professional and technical personnel and other skilled and unskilled labor if the services they provide are an integral and necessary part of a funded project.
 - a. The value placed on donated services must be consistent with the rate of compensation paid for similar work in the organization or the labor market.
 - b. Fringe benefits may be included in the valuation.
 - c. Volunteer services must be documented and supported by the same methods used by the recipient organization for its own employees. Grantees using volunteers as in-kind match must ensure the volunteers are performing allowable activities.

NOTE: The Fair Labor Standards Act defines volunteer as "an individual who performs hours of service for a public agency for civic, charitable, or humanitarian reasons without promise, expectation, or receipt of compensation for services rendered..." 29 CFR 553.101(a). "The 1985 Amendments provide that employees may volunteer hours of service to their public employer or agency provided 'such services are not the same type of services which the individual is employed to perform for such public agency.' The phrase 'same type of services' means similar or identical services." 29 CFR 553.103.

- d. The value of rental space not owned by the agency may be used as in-kind match if space is donated. In this case, you may use the fair market value of the space as in-kind match. The value may not exceed the fair market value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality. Agencies must obtain at least 3 comps from an independent Realtor and the use the average as the fair market value. The basis for determining the value of the donated space must be documented.
- e. The reasonable value of other donated tangible goods may be used as match. For example, a program may receive donations of used clothing, the reasonable value of which may be used. A funded shelter may also receive donations both from individuals and from companies of food, items such as shampoo and toothpaste for

use by victims, toys, supplies such as diapers or formula for victims' children, and supplies for the program itself such as furniture or computers.

- b. **In-kind Match Documentation:** Must meet the same standards as documentation for other expenditures. Generally speaking, the documentation should be of the same type as that used if the expense were to be paid directly from agency funds (i.e., original receipts). Clarification: The in-kind donation cannot be recognized as match (in-kind expense) until it is used in the project.
1. All in-kind matching contributions must be supported by documentation that shows how the value of the contribution was derived. The agency must be able to provide supporting documentation to substantiate the amount shown as in-kind expense.
 2. To document the value of a new item, staple the store receipt to the in-kind donation receipt. If the store receipt is not available, include as much information on the in-kind receipt as possible so that the 'new' value can be documented. Suggestions include: the brand name, size, model number and computer print out from store to establish the price of the item.
 3. To document the value of a used item, use a basis for valuation such as IRS Publication 561 Determining the Value of Donated Property <http://www.irs.gov/pub/irs-pdf/p561.pdf> or the Valuation Guide for Goodwill Donors Goodwill.org. Specific itemized information about the donated item will need to be included so that the value can be verified. For example, 'table' is not sufficient. Include information to distinguish different types of donations: kitchen table, coffee table, or end table. Another example is 'clothing.' Itemize and describe the clothing on the in-kind receipt: a woman's shirt, man's dress pants, child's coat, etc.
 4. Subrecipient organizations must utilize a tracking system which clearly shows the source, the amount, the use of these matching funds, as well as the period during which the funds were utilized in direct support of the project.
 5. The grantee must keep in their grant file an In-kind Receipt which should list, at a minimum, the following items:
 - a. Agency Name
 - b. Donor name
 - c. Donor address
 - d. Date of donation
 - e. Location of donation
 - f. Detailed description of item/service
 - g. Purpose for which contribution was made
 - h. Value of contribution
 - i. Basis for valuation (how value was determined)

- j. Who made the determination
 - k. Signature of donor if possible
 - l. Name of employee accepting the donation
 - m. Signature of employee accepting the donation
6. It should be noted that in-kind match can only be charged in relation to direct expenses charged to the grant. For example, you cannot spend 85% of the direct funds and draw down 100% of the in kind. The in kind charged must be in proportion to the amount needed to match the cash expenses. In addition, the in-kind test at the bottom of the invoice must NOT be negative on the last invoice of the grant period. However, it is preferred that this test is not negative on a monthly basis
7. The basis for determining the value of personal services, materials, equipment and space must be documented.
8. Each subrecipient organization must utilize a tracking system which clearly shows the source, the amount, the use of these matching funds, as well as the period during which the funds were utilized in direct support of the project

The in-kind donation cannot be recognized as match (in-kind expense) **until it is used in the project**. Additionally, in-kind match must be reflected on the invoice when the invoice is submitted.

Payment Methods

Currently OCJP utilizes either Interunit Journals (IUJs) or the Invoice for Reimbursement process as methods of payment:

1. **Interunit Journals (IUJs):** This method of payment is used for grants funded to State agencies. This payment method reimburses the subrecipient based upon actual costs incurred by the subrecipient in carrying out the activity of the grant. As the subrecipient incurs costs, those costs are conveyed to the funding source (OCJP) following the State of Tennessee Interunit Journal process described below. Following the IUJ processing, deposits (reimbursement) via the recognition of revenue are made to the account of the state subrecipient.

The Department of Finance and Administration Policy Statement Number 18 establishes the policy for the submission of Interunit Journals (IUJs). In accordance with Policy 18, “no IUJs shall be processed for \$1,000.00 or less, **unless it is necessary for a department’s fiscal year-end budgetary closing**. IUJs of the same nature and between the same departments for less than \$1,000.00 may be accumulated and may be processed quarterly once the cumulative amount exceeds \$1,000.00”. “Exceptions to this Policy Statement should be submitted in writing to the Director of Statewide Accounting, Division of Accounts, for review and approval.”

IUJs should be submitted to Department of Finance and Administration, Office of Business and Finance, 20th Floor William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, Nashville, TN

37243-1102. Once received, the IUJ is then processed for payment through the Department of Finance & Administration Office of Business and Finance.

For additional information please see: [Policy 18](#)

2. **Invoice for Reimbursement:** The invoice is used by non-state agencies to request monthly reimbursement for expenditures incurred by the subrecipient. Subrecipient agencies should invoice monthly, based on expenditures incurred but all subrecipient agencies must request reimbursement at least once per quarter. See [Chapter VII. Reporting Requirements C. Invoice for Reimbursement](#). Funds will be distributed to subrecipients upon receipt of a properly prepared and electronically certified invoice. Funds cannot be disbursed based on budgeted amounts. The expense must have actually occurred before the line item reimbursement can be made. Non-state agencies must submit the monthly Invoice for Reimbursement Form electronically by e-mail. Faxed invoices will no longer be accepted. For invoicing and for questions, email OBF.Grants@tn.gov.

Questioned Costs: For questioned costs related to subrecipient monitoring, please refer to [Section XIX](#).

Payment Methods

1. **Accrued Liability:** A State of Tennessee accrued liability process occurs at the end of each state fiscal year (June 30th) and allows non-state agencies an opportunity to receive payment for documented, reimbursable expenses that have not been reimbursed by the State of Tennessee by the time the State's annual conversion period to the new fiscal year occurs. The state's annual conversion period begins early July (approximately the first week) and continues approximately three weeks. During the conversion period, no payments can be made to state grant subrecipients. In preparation for this conversion period, all non-state agencies will receive a notification letter on/or before June 5th of each fiscal year detailing the proper procedures for fiscal year-end processing and payment of invoices. These procedures will include instructions to establish an accrued liability, if needed, by grant subrecipients. The accrued liability process must be followed, if needed, to ensure reimbursement for subrecipient expenses that are non-reimbursed prior to the year-end conversion period.
2. **Obligation of Funds:** An obligation is a legal liability for which funds are committed and disbursement is expected to occur during a specified time period. For example, if you place an order for a piece of equipment to be purchased with grant contract funds, the order is an obligation. Obligations must occur during the grant contract budget period. An obligation occurs when funds are committed, such as in a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the begin date and up to the last day of the budget period in the award. Any funds not obligated by the subrecipient by the end of the budget period will lapse and revert back to OCJP. The obligation deadline is the last day of the budget period unless otherwise stipulated. (Example: If the budget period is 7/01/15 to 6/30/16, the obligation deadline is 6/30/16.)

IV. Program Income Procedures

Program Income must have prior approval by OCJP before being generated by a grant supported activity. Grantees must use program income to supplement allowable program costs. Grantees should expend program income as soon as possible, unless otherwise specified by OCJP. If program income is not utilized by a grantee, the grantee may have to refund the program income to the Federal government.

1. PROGRAM INCOME DEFINED

Program income, as described in [28 CFR, Part 66.25](#), means gross income received by the subrecipient directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. “During the grant period” is the time between the effective date of the award and the ending date of the award.

2. EXAMPLES OF PROGRAM INCOME

Examples of Program Income and Disposition Requirements and the Policies Governing the Disposition of the Various Types of Program Income

- I. Addition Method of Handling Program Income: In the absence of other restrictions on disposition contained within the grant or the terms and conditions of the project, program income shall be added to the funds committed in the grant. The program income shall be used as earned by the subrecipient for any purpose that furthers the broad objectives of the legislation under which the grant was made (i.e., expanding the project or program, continuing the project or program that furthers the broad objectives of the State, obtaining equipment or other assets needed for the project or program, or for other activities that further the statute’s objectives).
- II. Sale of Property: In the case of real property purchased in part with Federal funds, the subrecipient may be permitted to retain title upon compensating OCJP for its fair share of the property. The Federal share of the property shall be computed by applying the Grant specific percentage of the Federal participation in the total cost of the project for which the project was acquired to the current fair market value of the property.
- III. Royalties: Subrecipients shall retain all royalties received from copyrights or other works developed under projects or from patents and inventions, unless the terms and conditions of the project provide otherwise, or a specific agreement governing such royalties has been negotiated between OCJP and the subrecipient.
- IV. Attorney’s Fees and Costs: Income received pursuant to a court-ordered award of attorney’s fees or costs, which is received subsequent to completion of the project, is program income to the extent that it represents a reimbursement for attorney’s fees and costs originally paid

under the award. Disposition of such program income is subject to the restrictions on the use of program income set forth in the grant.

- V. Registration/Tuition Fees: These types of program income shall be treated in accordance with disposition instructions set forth in the project's terms and conditions.
- VI. Asset Seizures and Forfeitures: Income received from the sale of seized and forfeited assets (personal or real property) or seized and forfeited money shall follow the "Additional Method" of handling program income. The following policies apply to program income from asset seizures and forfeitures:
 - Program income, with the approval of the OCJP, may be retained by the entity earning the program income or used by OCJP for the purpose that furthers the objectives of the legislation under which the grant was made.
 - States or local units of government may use program income funds from seized and forfeiture assets as match when assets are adjudicated by a State Court, in accordance with State law. In addition, State and local units of government MAY use cash received under the equitable sharing program from the non-Federal portion (match) of program costs, as provided for in the guidelines established by the DOJ Asset Forfeiture Office, when the assets are adjudicated by a Federal Court.

NOTE: Fines as a result of law enforcement activities are not considered program income.

3. ACCOUNTING FOR PROGRAM INCOME

Program income must be used for the purposes and under the conditions applicable to the grant. Unless specified by OCJP, program income should be used as earned and expended as soon as possible. If the cost is allowable under the Federal grant program, then the cost would be allowable using program income.

State and Local Government and Educational Subrecipients

This report form is completed on a quarterly basis if program income is generated as a direct result of an agency-funded activity. A grant funded project may not generate income unless approved by OCJP. Current program income information for State and Local Government and Educational subrecipients should be reported on the online [Program Income Summary Report](#) quarterly. State and Local Government and Educational subrecipients that do not generate program income must submit the Program Income Summary Report form annually. The report is due annually by July 31st or 30 days after end of the grant period.

Nonprofit subrecipients

Current program income information should be reported by Non-profit agency subrecipients on the online Policy 03 Quarterly Expense and Revenue Report. The program income amount, if any, is reported on line 39 of Schedule B. (See [OCJP Appendix J](#)). This report is required to be submitted quarterly whether program income is generated or not because it also reports expenses.

IV. Program Income Procedures

Last Update: 2/2/2024

V. Annual Financial Report and Audit Instructions

Introduction

The [Audit Manual](#) sets forth, for Tennessee local governmental units, nongovernmental entities receiving subrecipient funds from or through the state, and other organizations:

1. The standards and requirements for audits.
2. The accounting and internal control framework that should be followed; and
3. General compliance matters.

By statutory authority, the Comptroller of the Treasury prescribes the standards and requirements for the audit of local governments, grantee agencies and other organizations. Auditors on the comptroller's staff, internal auditors, and certified public accountants must comply with the comptroller's standards and requirements when conducting applicable audits.

The Comptroller of the Treasury also prescribes, by statutory authority and contractual provisions, the accounting and internal control framework that should be followed.

Other reporting and compliance requirements addressed in the Audit Manual are derived from federal and state laws and regulations as well as contractual provisions.

Audits - All Government Grantees

Sections 4-3-301 to 304, *Tennessee Code Annotated*, establishes the department of audit and requires the Comptroller of the Treasury, as administrative head of the department of audit, to:

1. Post-Audit Requirements:
 - a. Currently perform a post-audit of all accounts and other financial records of the state government, and of any department, institution, office or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller of the treasury.
 - b. Make annually, and at such other times as the general assembly shall require, a complete report on the post audit, such report to be in the form provided by §§ 8-4-109 [through] 8-4-111 and by any subsequent legislation.
2. Certify to the fund balance sheets, operating and other statements, covering the condition of the state's finances, as prepared by the department of finance and administration, or by the state treasurer, before publication of such statements.
3. Serve as a staff agency to the general assembly, or to any of its committees, in making investigations of any phase of the state's finances.

4. Make annually an audit of all the records of the several counties of the state, including the offices of county trustees, circuit court clerks, criminal court clerks, county clerks, and clerks and masters of chancery courts, and all county mayors and judges of the courts of general sessions, specifically including the accounts of all “trust funds” in the hands of clerks and masters, or county clerks, or both, and any other county official, whether elected or appointed.
 - a. In lieu of the audit required under the provisions of this subdivision (4), the department may accept an audit made by an independent certified public accountant, employed at the expense of the county, if the audit made by such independent certified public accountant . . . meets the minimum standards for county auditing established by the comptroller of the treasury, and approved by the governor.
 - b. The audit shall be made annually and copies of the audit furnished to the comptroller of the treasury.
 - c. Any county having an audit made by an independent certified public accountant . . . under the conditions prescribed in this subdivision (4) shall be relieved of paying to the state the fee required by § 9-3-210.
 - d. Beginning July 1, 1974, the department shall prepare the audit required under the provisions of this subdivision (4) in each county of this state at least once in every five-year period, and shall not accept an audit prepared by a certified public accountant . . . in lieu of a state audit for more than four (4) years in every five-year period beginning July 1, 1974, or may, in such manner as the comptroller of the treasury may determine, participate with or monitor the audit with the independent certified public accountant.
5. Devise a modern, effective and uniform system of bookkeeping and accounting, subject to the approval of the governor, comprehending:
 - a. An efficient system of checks and balances between the officers at the seat of government entrusted with the collections and receipts, custody and disbursement of the revenues of the state; and
 - b. A system of bookkeeping and accounting, for the use of all county officials and agencies handling the revenues of the state or of any political subdivision thereof; provided, that the comptroller of the treasury and the governor may approve any existing system.
6. Perform economy and efficiency audits, program results audits and program. Any or all of the elements of an audit may be performed, including financial and compliance, economy and efficiency program results and program evaluation.
7. Require that audits to be performed by the internal audit staffs of grantees or the internal audit staffs of state departments, boards, commissions, institutions, agencies, authorities or other entities of the state shall be coordinated with the office of the comptroller of the treasury, and any such audit reports as may be issued shall be prepared in accordance with standards established by the comptroller of the treasury. No department, agency, institution, board, commission or authority shall cause internal auditing to be performed by persons who do not meet the job specifications for

internal auditors established by the commissioner of personnel and approved by the commissioner of finance and administration and the comptroller.

8. Require that all persons, corporations or other entities receiving grants from or through this state shall cause a timely audit to be performed, in accordance with auditing standards prescribed by the comptroller of the treasury; and
9. Establish minimum standards for the performance of audits by the internal audit staffs of local governments, special taxing districts, utility districts, political subdivisions, state departments, boards, commissions, institutions, agencies, authorities or other entities of the state. These standards, which shall be established by the comptroller of the treasury, shall include “[Standards for the Professional Practice of Internal Auditing](#)” published by the Institute of Internal Auditors, Inc., or such other standards as may be approved by the comptroller of the treasury. All audit reports issued by such internal audit staffs shall include a statement that the audit was conducted pursuant to these standards.

Municipalities

Section 6-56-105, *Tennessee Code Annotated*, directs the comptroller of the treasury, as administrative head of the department of audit, to ensure that annual audits are made of the accounts and records of each municipality in the State of Tennessee.

Audit Requirements and Reporting

Any nongovernmental entity that expends less than the amount required for an audit under a state contract, regardless of whether federal or state funds are involved, during that entity’s fiscal year, is required to submit an annual report of the entity’s financial activities (not required to be audited) due no later than 9 months after the close of the entity’s fiscal year.

1. The submission of annual and audit reports shall be as follows:

- a. **State and Local Governments**

The audit reports for these entities are posted to the Tennessee Comptroller of the Treasury website and OCJP will obtain these reports when posted. The audit report is considered the annual report for these agencies.

- b. **Nongovernmental (nonprofit or private organizations)**

- i. Notice of Single Audit : Agencies should submit completed [Notice of Single Audit](#) document to OCJP ninety (90) days after the Grantee’s fiscal year end. **This is an annual requirement.** OCJP requests that the Notice of Single Audit form to be submitted as stated below:

1. Submit the **OCJP Notice of Single Audit** as a PDF document and email it to OCJP.Fiscal@tn.gov 90 days AFTER the Grantee's fiscal year end.
2. This form should inform OCJP if:

- a. YES you are REQUIRED to have a SINGLE audit because you expended at least \$750,000 in State and/or Federal funding OR
 - b. NO you are NOT REQUIRED to have a SINGLE audit. This form does not apply to OCJP monitoring.
3. The [Notice of Single Audit](#) is located in the [Reporting page](#) of the OCJP website under the ALL FUND SOURCES tab.
- ii. Required Annual Reports: Agencies are also required to submit the following reports annually within nine (9) months of the agency's fiscal year end:
1. Single Audit (if required)
 2. Form 990

The Single Audit (if required) and Form 990 are to be submitted to all of the following:

- a. OCJP: OCJP.Fiscal@tn.gov
- b. Commissioner of Finance and Administration: fa.audit@tn.gov
- c. (ONLY SINGLE AUDIT) The Tennessee Comptroller of the Treasury by logging onto <https://apps.cot.tn.gov/CARS/>

The process will vary for governmental and nonprofit agencies. If issues are noted in audit reports that appear to affect OCJP funding, the Fiscal Unit will send a memo requesting a Corrective Action Plan (CAP). Additionally, compliance and implementation of the CAP will be reviewed during the next fiscal monitoring of the agency.

2. Audits and Reports - Nonprofit Organizations

Nonprofit organizations (other than those that meet the definition of a special purpose government) that receive funds from the various departments of the State of Tennessee through contractual agreements that establish a subrecipient relationship are subject to various auditing and reporting requirements. In addition, some departments may include an audit requirement in contracts that establish a vendor relationship. **Principally, if a nonprofit organization expends \$750,000 or more of subrecipient funding (or of other funding subject to an audit per a state contract) received from the various departments of the State of Tennessee, the nonprofit will be required to have an audit conducted in accordance with the provisions of [Government Auditing Standards](#).** This provision applies regardless of the amount of federal funds received from all sources (i.e., directly from the federal government, flow-through (pass-through) funds from the State of Tennessee, Tennessee counties, municipalities, special purpose governments, other nonprofit organizations, etc.).

Contracts between nonprofit organizations and the State of Tennessee may involve only state money. However, the contracts often involve federal money received by the State of Tennessee and subsequently used to provide funding to nonprofit organizations. State contracts that include these federal flow-through funds must be combined with other federal funding sources for the purpose of evaluating the applicability of current federal audit requirements. Nonprofit organizations that are required to submit audited financial statements to the Tennessee Comptroller's Office and that meet

the audit threshold for a Single Audit must submit the Single Audit to the Tennessee Comptroller's Office.

Nonprofits are required to execute a three-way online audit contract (CPA firm, Entity and the Comptroller's Office) through the Comptroller website at <https://apps.cot.tn.gov/CARS/>.

After a CPA firm and an entity e-sign the online contract, the Comptroller's office approves it. To create an online audit contract, the CPA firm and entity should have an account in the CARS system. This must be completed prior to commencing the audit engagement.

Audit Considerations – State of Tennessee Subrecipient Contracts

In auditing subrecipient funds received from the State of Tennessee that are subject to audit, the auditor should become familiar with the program and the related requirements of the state department funding the program. The following list represents points of interest the auditor should consider in preparing the audit program for state subrecipient funds.

- a. Program funds (subrecipient contracts, loans, commodities, etc.) received from the state may include both state and federal dollars. The federal portion does not lose its identity simply because it flows through the state; therefore, federal funds should be audited in accordance with the applicable OMB requirements.
- b. A portion of state dollars disbursed may represent matching funds. These funds are governed by the same requirements as the related federal program.
- c. In-kind contributions may or may not be allowable as the entity's matching share for a program.
- d. Calculations for determining matching shares may vary between contracts, and different rates for different cost categories may be applicable for a single contract.
- e. Indirect cost allocation plans must be approved by the cognizant agency.
- f. Most subrecipient agreements require the entity's accounting system to provide for separate and identifiable account balances for each contract with subsidiary ledgers for each project within a contract. Grantor reports should agree with these accounts.
- g. One entity may apply for subrecipient funds, but another entity may ultimately use the funds (pass-through funds). The entity that applies for the funds is responsible for ensuring the funds are used in compliance with grantor guidelines. The entity should report these funds in accordance with applicable accounting guidelines.
- h. The following compliance attributes should be considered for each subrecipient expenditure item in the audit sample and for each subrecipient contract in the sample of subrecipient contracts selected for specific compliance testing.
 - i. Are expenditures necessary and reasonable for the proper administration of the contract?
 - ii. Do expenditures conform to limitations or exclusions in the contract?

- iii. Was consistent accounting treatment applied for expenditures of all the recipient's activities?
- iv. Were expenditures net of applicable credits?
- v. Were costs correctly allocated to a particular award?
- vi. Were expenditures correctly recorded and supported by source documentation?
- vii. Were expenditures approved in advance, if subject to prior approval?
- viii. Were expenditures in accordance with competitive purchasing procedures, if applicable?
- ix. Were expenditures allocated equitably to contracts and other activities in accordance with the relative benefits received?



VI. Personnel Policies and Procedures

Introduction

Agency records and accounting systems must include the following components for personnel. Agencies should ensure staff are trained on their policies and procedures and adhere to them. Agencies must have a policy that requires a criminal history record check on any employee, potential employee or volunteer working with victims of crime or having access to individual client information. Personnel working for more than one project must have sufficient records to show an accurate accounting of each project which have regular and any overtime hours recorded to them – see Section I. Policies and Procedures Time Sheets and Activity Logs.

Policies and Procedures

The subrecipient must have written personnel policies and procedures that address the following subjects and must demonstrate compliance with all policies:

- Work hours
- Holidays, vacations, sick leave, and other leave time
- Overtime pay and compensatory time: Overtime pay must be authorized in the approved budget, or prior written approval must be obtained from OCJP before any overtime is worked. One-time salary supplements or bonuses, including severance provisions, may not be paid with federal and/or state funds.
- Termination
- Qualifications
- Written job descriptions
- Training Received
- Supervision of Staff
- Time Sheets and Activity Logs- Personnel working for more than one project must have sufficient records to show an accurate accounting of each project which have hours recorded to them. This can usually be accomplished by having personnel keep a detailed log of their activities for each project (Activity logs are only required for those non administrative or supervisory staff working more than 10% FTE on a grant). Time sheets must accurately reflect hours spent working in separate programs. For additional information see 2 CFR 200 §200.430 Compensation—personal services (i)Standards for Documentation of Personnel Expenses
- For specific volunteer requirements related to match see [Chapter III-Financial Requirements](#).
- Conflict of Interest/Anti-Nepotism – All agencies must have a policy prohibiting conflicts of interest and defining hiring and supervising of relatives as a conflict of interest. The policy must incorporate the definition of “relative” from Tenn. Code Ann. § 8-31-102 which is “a parent, foster parent, parent –in-law, child, spouse, brother, foster brother, sister, foster sister, grandparent, grandchild, son-in-law, brother-in-law, daughter-in-law, sister-in-law, or other family member who resides in the same household.” The policy must require the agency to report any perceived conflict of interest to OCJP prior to taking action to hire or supervise a relative or a business partner.

- **Background Checks** - At a minimum the policy must identify the agency positions that require a background check and the type of check required to be performed. The policy must require a state-wide name-based background check for all states where these individuals have lived worked or attended school during the five years preceding the background check. The policy must require all individuals transporting clients to have a satisfactory review of driving records through the Department of Safety and must provide proof of liability insurance. This documentation must be supported in the personnel file.

FOR PERSONNEL REASONABLY LIKELY TO INTERACT WITH PARTICIPATING MINORS:

- A. **Minor Background Checks** – The background check policy must mandate a background check and screening of all personnel including but not limited to employees, consultants, contractors, trainees, interns, teachers, and volunteers who are reasonably likely to interact with any participating minor. The personnel must consent for a background check by the agency/entity to be completed prior to interaction with participating minors to ensure that children are protected. Criminal background checks must be completed/repeated once every five years.

1. **Criminal Background Check Policies** must include the following:

- a. All entities/agencies legally authorized to conduct fingerprint background checks (“FBI CJIS Checks”) shall conduct an FBI CJIS Check on all persons reasonably likely to interact with any participating minor. Agencies that typically have access to FBI CJIS Checks include law enforcement agencies, governmental entities working with children, or agencies/entities mandated by state or federal law.
- b. All agencies/entities not authorized to conduct an FBI CJIS Check, shall document why they are not authorized and shall conduct a name-based criminal history check on all persons reasonably likely to interact with any participating minor. A name-based check must be conducted for each state that the individual has lived, worked, or attended school during five years preceding the background check, and the state where the interaction with the minor or vulnerable adult will take place. The name-based checks must not be limited in time unless so limited by the law of the state holding the criminal data. All background check vendors must list each jurisdiction searched or otherwise provide documentation to establish which states were searched.

2. **Public Sex Offender and Child Abuse Registries Checks.**

- a. All entities/agencies shall conduct a Dru Sjodin Federal Sex Offender Registry check (<https://www.nsopw.gov/>) on all persons reasonably likely to interact with any participating minor; and
- b. All entities/agencies shall conduct a search of the website or public registry for each state in which the individual has lived, worked, or attended school at any time during the five years preceding the registry check, and the state where the interaction with the minor will take place.

B. **Determination of Suitability for Interaction with Participating Minors and Vulnerable Adults**

VI. **Personnel Policies and Procedures**

Last Update: 2/2/2024

1. In addition to factors which must be considered by law or by the policies and procedures of OCJP and the agency/entity, when determining suitability all agencies/entities must consider the findings on the above background checks.
2. Any of the following events or findings automatically precludes a determination of suitability:
 - a. Withholding consent to the background checks required in Section I above;
 - b. Knowingly making a false statement that affects or is intended to affect any search required in Section I above;
 - c. A listing as a registered sex offender on the Dru Sjodin National Sex Offender Public website registry or any state sex offender or abuse and neglect registry;
 - d. A conviction of a felony or misdemeanor under state, federal, or local law of any of the following crimes or a substantially equivalent criminal offense:
 - (1). Sexual or physical abuse, neglect, or endangerment of an individual under the age of 18 at the time of the offense;
 - (2). Rape/sexual assault, including conspiracy to commit rape/sexual assault;
 - (3). Sexual exploitation, such as through child pornography or sex trafficking;
 - (4). Kidnapping;
 - (5). Voyeurism; or
 - (6). Is determined by a federal, state, or local government agency not to be suitable.

19 REQUIREMENTS (FOR ALL AGENCIES):

Agencies/entities must properly verify the employment eligibility of all individuals being hired for any position which will be funded in whole or in part with award funds, including employees and interns associated with the grant, consistent with the provision of 8 U.S.C. § 1324a(a)(1) and (2). Under associated U.S. Code provisions, it is unlawful to hire or recruit for employment certain classifications of non-U.S. Citizens.

For purposes of satisfying the requirement to verify employment eligibility, agencies/entities may choose to participate in and use E-Verify (www.e-verify.gov) provided an appropriate person authorized to act on behalf of the agency/entity uses E-Verify to confirm employment eligibility for each hiring for a position that is or will be funded in whole or in part with award funds. Training for E-verify is the responsibility of the agency/entity.

Regardless of whether E-verify is used, the agency/entity must collect and review the following documents according to the following timeline:

1. Employee Responsibility for Section 1 of the Form 1-9 (Employee Information and Attestation). The employee/intern must complete, sign, and date prior to or on the FIRST day worked, but not before accepting the job/internship offer. Electronic signatures are not accepted. Employee/Intern must

also provide the original ID documents that are required by the Form I-9 Document before the end of the THIRD day worked. (List of acceptable documents appears on page 3 of Form I-9 attached).

2. Employer Responsibilities for Section 2 of the Form I-9 (Page 2 of I-9). Before the end of the THIRD day worked the hiring agency MUST:
 - Review the information provided by the employee/intern on Section 1.
 - Ensure that the employee/intern provided information in all required fields on Section 1.
 - Ensure that the employee/intern signed and dated the form on Section 1.
 - Ensure that the preparer/translator section has been completed, signed, and dated if the employee/intern used a preparer/translator.
 - Review the original ID documents that are provided by the employee before the end of the THIRD day worked. (List of acceptable documents appears on page 3 of Form I-9 attached).
 - Make copies of the original IDs (front and back) used for the I-9, and retain the copies in the employee/intern's personnel file.
3. It is the responsibility of each agency/entity to provide training to its officials or other staff members who are involved in the hiring process with respond to a position that is or will be funded with award funds.
4. All agencies/entities must maintain records of all employment eligibility verifications in accordance with Form I-9 record retention requirements, as well as documentation of all pertinent notifications and trainings. If an agency/entity utilizes E-verify, it must maintain the E-verify verification documentation along with other documentation.

Beginning January 1, 2023, private employers with thirty-five (35) or more full-time equivalent employees shall (a) Enroll in the E-Verify program prior to hiring an employee; (b) Verify the work authorization status of the employee hired by using the E-Verify program; and (c) Maintain an E-Verify case result for each employee that shows that the employee is authorized to work, whether on the E-Verify Quick Audit Report, the E-Verify User Audit Report, or the individual employee E-Verify case verification result. The E-Verify case result must be visible showing the work authorization status. These private employers are only required to use the E-Verify program to verify the work authorization status of employees hired on or after January 1, 2023.

If an employer does not have internet access or if an employer has less than thirty-five (35) employees, then the Office of Employment Verification Assistance shall, at no charge to the employer, enroll the employer in the E-Verify program or conduct work authorization status checks of the employer's employees by using the E-Verify program as long as the employer signs a prescribed form, under penalty of perjury, attesting to the employer's qualification for assistance pursuant to this subdivision 50-1-703(a)(6)(B) and completes paperwork required by the E-Verify program to permit the office to provide the assistance.

Personnel Costs

Time and Attendance Records – Accurate time and attendance records are required to be maintained for all personnel whose salary is charged to the project per 2 CFR 200 §200.430 Compensation—personal services (i) Standards for Documentation of Personnel Expenses. These records should contain, at a minimum, the following information:

VI. Personnel Policies and Procedures

Last Update: 2/2/2024

- Date (day, month and year)
- Employee's name
- Position title
- Total daily hours charged to the project
- Grant allowable activities conducted during the hours charged (if employee is 100% grant funded, see Section V of this chapter)
- Employee's signature
- Project director's or supervisor's signature
- Grant number

The subrecipient may use any form that provides the above information and that meets the following requirements:

- Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award.
- Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards.

Personnel Qualifications

The narrative section of the grant application includes job descriptions determined by the subrecipient agency which establish the qualifications for each position. If an employee does not meet agency established personnel qualifications, a waiver must be requested from the Office of Criminal Justice Programs. The Office of Criminal Justice Programs must approve prior to employment any grant employee not meeting these requirements. A written waiver of personnel qualifications must be requested prior to the employee's employment. The written request for the waiver must explain the reason(s) for employing a staff person who does not meet the personnel qualifications. A training plan must be included that ensures the employee maintains a constant level of understanding on how services are to be provided. If approved, a copy of the request for waiver must be maintained in the employee's personnel file. The waiver will approve the period of the individual's employment in the position and is applicable to that individual only.

To satisfy the requirement that staff are qualified for the positions in which they are employed it is necessary that the agency obtain verification of education prior to employment and/or training. References for new employees and a resume are required.

Personnel File Requirements

Agencies are required to maintain personnel files for all staff employed by grant monies or volunteers providing direct services to clients. These records must include the following information:

- Documentation of verified character/employment references.
- A completed agency application and a resume.

- A signed consent form granting the organization permission to obtain a background check and to conduct reference checks.
- Job description.
- Documentation of training/certification received such as the topic, presenter, length of training, dates.
- Documentation of minimum qualifications including verification/confirmation of all educational diplomas or degrees.
- Documentation of background checks according to agency policy.

Personnel Paid 100% from a Single Federal Award

In order to comply with federal regulations to track and identify time worked on activities related to a single federal award, OCJP subrecipients with employees paid 100% from federal grant funds must comply with the following instructions:

Have each employee paid 100% from a single federal award for an extended period of time (6 months or more) complete the [*Certification of Time Charged to a Single Award*](#) form.

This form must be completed by the employee and their supervisor if the employee will be on a single award for six months or longer. In this circumstance, the form must be completed **prior** to being on a single award for more than six months.

Retain the signed form in the employee's personnel file.

See Title 2 Code of Federal Regulations (CFR) Part 225, Cost Principles for State, Local, and Indian Tribal Government, Appendix B, Selected Items of Cost.

Personnel Change Notifications

Subrecipients must provide written notification to your OCJP Program Manager within ten (10) business days from the date of occurrence of any of the following:

A. Contact Information Changes

1. Any change of address for Authorized Official, Project Director, or Financial Director for the grant-funded project
2. Change in e-mail address of Project Director, Financial Director, Authorized Official or any personnel funded by this grant.

B. Personnel Changes

1. Any cessation or interruption of implementation of project activities arising from litigation, loss of staff, or programmatic restructuring
2. Change in or temporary absence of the Project Director or Financial Director
3. Change in Authorized Official
4. Change in grant funded personnel positions
5. Temporary staff changes should also be reported

C. Staff Vacancies

Vacancies in all grant funded positions **MUST** be reported via email to your OCJP Program Manager within 10 business days of the vacancy. All grant funded vacant positions **MUST** be filled within 45 calendar days of the vacancy. Failure to abide by this requirement may result in the agency losing the position(s) in question. If the position(s) is/are not filled within 45 days, the subrecipient must submit a letter from the Authorized Official to OCJP justifying the delay in filling the position and explaining how the program is providing services while the position is vacant. After 45 days **OCJP must receive a monthly report** of this information until the position is filled. Once the vacant position(s) is filled the subrecipient agency **MUST** notify OCJP in writing within 10 business days of the following information as it pertains to the new employee(s):

6. Position Title
7. Name of Employee
8. Date Hired
9. Salary
10. Percent of time allotted to the grant funded project
11. Job Description

Agencies must use the [Personnel Spreadsheet](#) to notify your OCJP Program Manager of staff on the grant(s), and any staffing changes made throughout the life of the project. You are required to submit this form to your OCJP Program Manager at the start of the grant listing all grant funded staff and it must also be submitted with each hire and/or vacancy in accordance with the above staff notification requirements.

Subcontract Staff

For policies concerning Subcontracted Staff see Chapter XIII- Procurement of Professional Services.

NOTES: For RSAT specific personnel requirements see RSAT Chapter.



VII. Reporting Requirements

A. POLICY 03

The Office of Criminal Justice Programs (OCJP) has been notified by the Division of Accounts within the Department of Finance and Administration that the State has formally rescinded Policy 03 effective November 30, 2023. Previously all non-profit grant subrecipients were required to submit completed Policy 03 Quarterly Expense and Revenue Reports no later than forty-five (45) calendar days following the end of the quarter for which the report is completed. These reports were then sent to the OCJP Fiscal Unit at OCJP.P3@tn.gov.

The Policy 03 Quarterly Expense and Revenue Report is no longer required to be submitted effective with quarter 2 of Fiscal Year 2024 (October through December 2023).

B. INTERUNIT JOURNALS

State of Tennessee Interunit Journals (IUIs): (State Agencies Only)

This method of payment is used for grants funded to State agencies. This payment method reimburses the subrecipient based upon actual costs incurred by the subrecipient in carrying out the activity of the grant. As the subrecipient incurs costs, those costs are conveyed to the funding source (OCJP) following the State of Tennessee Interunit Journal process described below. Following the IUI processing, deposits (reimbursement) via the recognition of revenue are made to the account of the state subrecipient.

The Department of Finance and Administration Policy Statement Number 18 establishes the policy for the submission of Interunit Journals (IUIs). In accordance with [Policy 18](#), "no IUIs shall be processed for \$1,000.00 or less, unless it is necessary for a department's fiscal year-end budgetary closing. IUIs of the same nature and between the same departments for less than \$1,000.00 may be accumulated and may be processed quarterly once the cumulative amount exceeds \$1,000.00". "Exceptions to this Policy Statement should be submitted in writing to the Director of Statewide Accounting, Division of Accounts, for review and approval."

When the billing side of the IUI is set up notify obf.grants@tn.gov for processing of payment. Include the Inter Unit Journal ID Number in your request. Once received, the IUI is then processed for payment through the Department of Finance & Administration Office of Business and Finance.

For additional information please see: [Policy 18](#)

C. INVOICE FOR REIMBURSEMENT

Tennessee Department of Finance & Administration Invoice for Reimbursement (*Non-profit, Local Government, and Universities Only*)

The Invoice for Reimbursement is used to request monthly reimbursement for line-item expenditures incurred by the subrecipient. Expenditures, which are allowable according to the appropriate OCJP

Administrative Guide, may be disbursed upon receipt of a properly prepared and signed invoice. Funds cannot be disbursed based on budgeted amounts. The expense must have actually occurred before line-item reimbursement can be made. Monthly invoices should be submitted to: OCJP Invoice, Department of Finance and Administration, Office of Business and Finance, 20th Floor William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, Nashville, TN 37243-1102. E-mail obf.grants@tn.gov for invoicing and for any questions.

NOTE: It is **strongly recommended** that agencies invoice monthly, when monthly expenditures are incurred. However Subrecipient agencies can invoice quarterly. If invoicing quarterly, agencies **MUST request reimbursement 30 days after the end of each quarter for all the expenses incurred during the quarter in its entirety**. For example, agencies must fully invoice for July, August and September no later than October 30th; October, November and December no later than January 30th; January, February and March no later than April 30th; and April, May and June according to the end of year schedule and accrued liability deadline.

D. PROJECT EQUIPMENT SUMMARY REPORT

(All Subrecipients)

This report is completed on an annual basis, if equipment or “Sensitive Minor Equipment” (see Chapter X-Property and Equipment for definition) is purchased with grant funds during the current fiscal year. It is due to OCJP no later than July 31st. When a contract has an end date prior to the end of the fiscal year (June 30), the equipment summary report **for that fiscal year is due 30 calendar days past the end date of the grant**. (For example: If the contract period is July 1, 2016 to March 31, 2017, the project equipment summary report is due April 30, 2017 if equipment was purchased.) For multi-year projects, the [Project Equipment Summary Report](#) should specifically identify any purchases that have been made for equipment, either totally or in part with grant money, since the last fiscal year. This report is available for online submission at https://stateoftennessee.formstack.com/forms/project_equipment_summary_report.

E. OCJP INCOME SUMMARY REPORT

(State and Local Government and Universities Only)

This report form is completed on a quarterly basis if program income is generated as a direct result of an agency-funded activity. A grant funded project may not generate income unless approved by OCJP. Current program income information for State and Local Government and Educational subrecipients should be reported on the online Quarterly Program Income Summary Report.

NOTE: State and Local Government and Educational subrecipients that do not generate program income must submit the Income Summary Report form annually 15 days after the end of the fiscal year or end of the grant period. Effective July 1, 2018 the report is due annually by July 31st or 30 days after end of the grant period.

F. AUDIT REPORT OR ANNUAL FINANCIAL REPORT

State and Local Governments

An audit is required to be conducted and due no later than 9 months after the close of each fiscal year for state government and local governments (counties, judicial districts, cities, towns, quasi-governments) regardless of whether federal or state funds are involved or the dollar amount expended. Please note, that if the federal funds expended (for the entire government) is \$500,000 or more, the audit must be conducted in accordance with OMB Circular A-133, and the audit cost is an allowable expenditure to the federal grant(s). (For grant contracts funded with federal awards made after December 26, 2014, the amount has been increased to \$750,000 or more, and must be conducted in accordance with the [OMB Uniform Guidance](#)).

Nongovernmental (nonprofit or private organizations)

Any nongovernmental entity (nonprofit or private organizations) that expends \$500,000 or more under a state contract regardless of whether federal or state funds are involved, during that entity's fiscal year, is required to have an audit conducted and due no later than 9 months after the close of the entity's fiscal year. Please note, that if the federal funds expended (for the entire organization) is \$500,000 or more, the audit must be conducted in accordance with OMB Circular A-133, and the audit cost is an allowable expenditure under the federal grant(s). (For grant contracts funded with federal awards made after December 26, 2014, the amount has been increased to \$750,000 or more, and must be conducted in accordance with the [OMB Uniform Guidance](#)).

Audit costs not performed in accordance with the appropriate OMB Circular, are unallowable. If the subrecipient expended Federal funds less than the amount required for an audit and still elected to contract with a certified public accountant to perform an audit; these costs may not be charged to the federal grant(s).

See also [Chapter V. Annual Financial Report and Audit Instructions](#).

F. AUDIT REPORT OR ANNUAL FINANCIAL REPORT

Additional information on reporting for grant subrecipients may be found in the [Fund Source Chapter](#) and on the OCJP website [here](#).

VIII. Supplies and Operating Expenses

Supplies and operating expenses are items which are reasonable and necessary for the agency to implement the project. Agencies should have written Purchasing procedures detailing the authority and mechanics of obtaining supplies and various operating expenses and to ensure that funds are expended in accordance with an approved budget. Consideration should also be given to the availability of funds to pay for such purchases and in compliance with contractual provisions and relevant laws and regulations.

Guidance for written purchasing policies and procedures can be explored in Chapter XII. Procurement of Goods and Services.

Basic internal controls over purchases include establishing the following:

1. **Initiation of Purchase:** Any staff member authorized by the Project Director or designee may initiate a purchase. When a purchase is initiated, a standard requisition, or a memorandum describing the type of item and quantity desired, is prepared and signed by the staff member initiating the purchase.
2. **Authorization of Purchase:** Staff members must make direct purchases of items when the total cost does not exceed a prescribed limit. When items may cost more than the prescribed limit, the Project Director or designee must give advance approval of the acquisition. All requisitions, regardless of amount, should be submitted to the Project Director or designee. Orders totaling less than the prescribed limit may be submitted after the order is placed.
3. **Qualification of Vendor:** All vendors providing supplies, equipment, or services should be reputable firms having demonstrated capacity to produce or provide supplies, equipment, services, and other items within a reasonable time or within specific time limits established by the purchaser. Vendors should be subject to disqualification if they misrepresent quality, quantity, or price of what is being purchased. Vendors that exceed reasonable time limits should also be disqualified.
4. **Purchase Orders:** Purchase orders can reduce misunderstandings, errors, and duplicate payments. They should include the date, vendor name, type, quantity, price of supplies and equipment, and other items to be purchased. A staff member officially designated to sign purchase orders should sign each order and submit the original to the vendor. File the first copy numerically; it constitutes an official authorization for disbursement after the order has been satisfactorily filled.
 - i. Receipt of supplies and equipment should be certified by a staff member who has been assigned responsibility for receipt of all purchased items. Deliveries should be compared against the second copy of the purchase order and packing slip or invoice and should be examined for conformance to specifications in the order. The packing slip or invoice and the second copy of the purchase order should be signed if the delivery conforms to the purchase order. (If the invoice does not accompany the delivery of goods, the signed packing slip should be compared to the invoice prior to the invoice being approved for payment.) The invoice, requisition, and second copy of the purchase order should be filed in invoice date order, alphabetically by vendor name.

- i. Match billings with the signed invoice, purchase order or requisition. Examine the billing to ensure that the amount requested for payment matches cost, types, and quantities shown on the signed invoice(s).
 - ii. The Project Director or designee should review the invoice, purchase order, requisition, and billing, and certify as to qualification for payment. No invoice or bill should be paid without such certification.
 - iii. Purchase orders are not required for utility services (telephone, gas, electricity) or for rental payments. Bills for these services should be reviewed by the appropriate official and paid in accordance with standard procedures for disbursement of funds. However, retain copies of all bills received for rent and utilities and file them chronologically, by vendor, or by expense category for no less than three years.
5. **Disbursement of Funds:** Upon proper certification of invoices and bills, make disbursements in accordance with standard grant procedures for the issuance of checks and vouchers.

SUPPORTING DOCUMENTATION

Present supporting documentation to justify each journal entry. In most cases, staff members should use preprinted sequentially numbered forms, and written policies concerning the use of the forms should be established.

1. The following are examples of supporting documentation:

- i. All journals and ledgers
- ii. Annual financial reports with working papers
- iii. Annual program reports, including statistics, with working papers
- iv. Bank reconciliation
- v. Bank statements
- vi. Checks/Warrants
- vii. Contracts
- viii. Correspondence
- ix. Deposit slips
- x. Fixed assets inventory listings
- xi. Inventory count sheets
- xii. Invoices
- xiii. Journal vouchers
- xiv. Leave requests
- xv. Petty cash count sheets
- xvi. Petty cash receipts
- xvii. Petty cash reimbursement receipts
- xviii. Pre-numbered cash receipt
- xix. Purchase orders
- xx. Support for sole-source-decisions
- xxi. Telephone logs
- xxii. Time sheets
- xxiii. Travel claims

xxiv. Written policies

2. Maintain a current roster of grant or contract agreements. Include the following information for each grant:

- i. Grantor
- ii. Grant number
- iii. Title of grant
- iv. Catalog of Federal Domestic Assistance
- v. Period Covered
- vi. Approved budget (latest revision)
- vii. Grantor share
- viii. Match Requirements
- ix. Purpose of grant

3. Maintain a file on each grant. The file should contain at least the following items:

- i. Grant agreement, including grant budget
- ii. All grant agreement amendments
- iii. Copy of periodic financial reports
- iv. Other pertinent information (e.g., correspondence, monitoring reports)

4. Maintain information on in-kind contributions and matching requirements by grant in separate file folders, as necessary.

IX. Travel, Conferences, and Meetings

1. TRAVEL VOUCHER

All expenditures for travel should be substantiated by travel vouchers which contain the following information:

1. Name of employee
2. Travel departure point(s) and destination(s)
3. Method of travel with documentation
4. Date and time of departure and return
5. Signature of employee
6. Approval signature of project director or supervisor
7. Grant number

The subrecipient may use any form that provides the above information. All travel claims must be specifically authorized in the approved budget and must be related to project goals.

2. DOCUMENTATION OF TRAVEL EXPENDITURES

The travel expenditures should be properly documented, and the following documentation should be attached to the travel voucher:

1. Paid motel/hotel receipts
2. Paid car rental bill and justification for renting rather than using public transportation
3. Airplane fare or other commercial transportation receipt

For travel within Tennessee:

For agencies that already have written travel policies, procedures, and rates, personnel should follow those rates or the [Comprehensive Tennessee Travel Regulations Reimbursement Rate Schedule](#), ***whichever is lower***.

For travel outside Tennessee:

Reimbursement should follow the appropriate out of state CONUS reimbursement rates located here: <http://www.gsa.gov/portal/category/21287>. Any deviation from the CONUS rates will require prior approval from OCJP. **NOTE:** Some fund sources require prior approval for out of state travel reimbursement. Please consult with your OCJP Program Manager for more details.

NOTE: Reimbursement for a single meal for employees on a one day travel status is not permitted.

Travel Reimbursement rate: [Policy 8](#) pgs. 11 & 12.

Federal Travel Regulations: [CONUS](#)

3. CONFERENCES AND MEETINGS NOTIFICATIONS OF SPEAKER EXPENDITURES

Subrecipients with conferences or meetings with speakers compensated with grant funds must complete an [OCJP Notification of Speaker Agreement](#) and submit this documentation to OCJP 15 days prior to the event.

See OCJP [Chapter XIII, Procurement of Professional Services](#), [Chapter XIV, Allowable Costs](#), and [Chapter XV, Unallowable Costs](#) for more information.

4. Per Chapter III, 3.9 Allowable Costs of the DOJ Grants Financial Guide OJP Specific Tip:

"All contracts under an award funded by OJP awards for events that include 30 or more participants (both Federal and non-Federal) must ensure that lodging costs for any number of attendees do not exceed the prevailing Federal per diem rate for lodging. If the lodging rate is not the Federal per diem rate or less, none of the lodging costs associated with the event are allowable costs to the award. As a result, the recipient would be required to pay for all lodging costs for the event with non-award funds, not just the amount in excess of the Federal per diem. For example, if the Federal per diem for lodging is \$78 per night, and the event lodging rate is \$100 per night, the recipient would be required to pay the full \$100 per night not just the difference of \$22 per night."



X. Property and Equipment

Grant subrecipients are required to be prudent in the acquisition and management of property purchased with state or federal funds. Expenditure of funds for the acquisition of new property, when suitable property required for the successful execution of projects is already available within the organization will be considered an unnecessary expenditure.

1. DEFINITIONS

- Real Property: typically includes land and buildings.
- Personal Property: includes both tangible personal property, which is classified as either equipment or supplies; and intangible personal property, which includes things having no physical existence, like trademarks, copyrights, and patents.
- Equipment: is a tangible non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
- Sensitive Minor Equipment: is defined as moveable, high-risk, sensitive property items purchased with a cost between \$500.00 and \$5,000.00, such as computers (i.e., laptops, tablets), weapons, TVs, and cameras acquired, used and managed for criminal justice and victim services grant purposes.
- Intangible Property: includes trademarks, copyrights, and patents.

2. SCREENING

Careful screening should take place before acquiring property in order to ensure that it is needed with particular consideration given to whether equipment already in the possession of the organization can meet identified needs. Organizations should establish and maintain an effective property management system to avoid incurring property acquisition costs that are later disallowed by OCJP (e.g., acquiring unreasonable, duplicative, or unnecessary property). Recommended screening practices include:

- Take stock of the equipment that you have and see if it meets the identified needs.
- Consider establishing a screening committee to make decisions about purchases.
- Utilize effective management techniques for determining that property/equipment is needed.
- Initiate a screening process to ensure that effective controls are in place for property management.

If the OCJP determines that the grant subrecipient does not employ an adequate property management system, project costs associated with the acquisition of the property may be disallowed.

3. DOCUMENTATION

Receipts or invoices with order dates are required on all equipment items purchased with grant funds. Receipts should be approved and initialed by the Project Director or other authorized

individual prior to payment. Invoices should be marked paid and should have the date, check number, grant number and initials of the Project Director on them. Documentation of equipment purchased and supporting receipts should also be maintained to provide for easier documentation on the annual [Project Equipment Summary Report](#) which requires a listing of all equipment purchased via grant funds during the year. Save a copy of the completed report in the grant file.

Subrecipients must retain records for equipment, nonexpendable personal property, and real property for a period of 5 years from the date of disposition, replacement, or transfer at the discretion of the awarding agency. If any litigation, claim, or audit is started before the expiration of the 5-year period, you must retain records until all litigations, claims, or audit findings involving the records have been resolved.

4. MANAGEMENT AND OVERSIGHT OF EQUIPMENT

Subrecipient procedures for managing equipment and “Sensitive Minor Equipment” (including replacement), whether acquired in whole or in part with project funds, shall, at a minimum, include the following requirements:

- Property records or equipment inventory records must be maintained which include:
 - A. Purchasing grant award number
 - B. Description of the property or equipment
 - C. Source of funding for the property or equipment (including the federal award identification number or FAIN, found on attachment B of the contract; any questions, contact your program manager)
 - D. Serial number or other identification number
 - E. Identification of who holds the title
 - F. Acquisition date
 - G. Cost of the property or equipment
 - H. Percentage of Federal participation in the cost of the property or equipment
 - I. Location of property or equipment
 - J. Use and condition of property or equipment
 - K. Disposition data including the date of disposal and sale price
- A physical inventory of the property or equipment must be taken and the results reconciled with the property or equipment records at least once every two years.
- A control system must exist to ensure adequate safeguards to prevent loss, damage or theft of property or equipment.
 - A. Subrecipients must notify their OCJP Program Manager within 10 days when there is loss, damage or theft of equipment or sensitive minor equipment.
 - B. Any loss, damage, or theft shall be investigated by the subrecipient, as appropriate. Subrecipients are responsible for replacing or repairing the property that is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage, or theft of the property must be investigated and fully documented and made part of the official project records.

1. Adequate maintenance procedures must exist to keep the property or equipment in good condition.
2. If the subrecipient is authorized or required to sell the property or equipment, proper sales procedures must ensure the highest possible return. See the Disposition section below.

DISPOSITION

Equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the OCJP or Federal awarding agency. Equipment with a current per-unit fair-market value in excess of \$5,000 may be sold with the proceeds of the sale being multiplied by the awarding agency's share of the equipment, with that amount to be returned to the Office of Criminal Justice Programs. There is no time limit on this requirement. Contact your [OCJP Program Manager](#) for guidance when disposing of equipment purchased with grant funds.

In the event of the termination of an OCJP grant prior to the end of the grant term, OCJP subrecipients should contact OCJP for instructions regarding equipment disposition.

REPORTING PURCHASE

Grant subrecipients shall complete the [Project Equipment Summary Report](#) for all OCJP grants. This form is a list of all equipment including "Sensitive Minor Equipment" purchased during each fiscal year and is completed on an annual basis only if equipment is purchased with OCJP grant funds. Save a copy of the completed report in the grant file.

EQUIPMENT ACQUIRED WITH SPECIFIC FEDERAL FORMULA FUNDS

Additional information and requirements for equipment acquired with some federal formula funds can be found in the most current DOJ Financial Guide. Information on specific federal formula funds can be found in the fund source chapters.

XI. Printing, Publications and Media

1. PRINTING

The cost of electronic and print media, including distribution, promotion, and general handling, are allowable. If these costs are not identifiable with a particular project or cost activity, the costs should be allocated as indirect costs to all benefiting activities of the organization.

All electronic and print media prepared and released by the Grantee shall include the statement:

“This project is funded under an agreement with the State of Tennessee.”

NOTE: Agencies will only use the generic printing statement(s) above if the grant fund source section does not require a specific statement. Please refer to the grant fund source section, **Publication and Media** chapter (if included) for additional information.

See [2 C.F.R. § 200.461](#).

2. PUBLICATIONS

Guidance for publication costs is set out in [2 C.F.R. § 200.461](#). To be considered allowable, publication costs must be incurred for work done according to a process that the recipient has described in writing. Publication shall be construed as the initiation of the procurement of writing, editing, preparation of related illustration material, including videos from subrecipients, or the internal printing requirements of the subrecipient necessary for compliance with the terms of the project. However, individuals are authorized to make or have made by any means available to them, without regard to the copyright of the journal and without royalty, a single copy of any such article for their own use.

3. PUBLICATION OF DOCUMENTS AND POSTING OF ELECTRONIC MEDIA

Project directors are encouraged to make the results and accomplishments of their activities available to the public. A subrecipient who publicizes project activities and results shall adhere to the following:

- i. Responsibility for the direction of the project should not be ascribed to the Department of Justice, (or the Department of Health and Human Services, or the Office of Violence Against Women as appropriate in lieu of the Department of Justice) or the Tennessee Office of Criminal Justice Programs. The publication must not convey DOJ/DHHS/OVW or TN OCJP’s official recognition or endorsement of the project simply by having received funding. A separate request of the State and appropriate federal agency must be made and granted for official recognition.
- ii. All reports, studies, notices, informational pamphlets, press releases, signs, billboards, DVDs, public awareness kits, training curricula, webinars, websites and similar public notices (written,

visual or sound) prepared and released by the Grantee shall include the statement:

“This project is funded under an agreement with the State of Tennessee.” Any such notices by the Subrecipient shall be approved by the State.

NOTE: Agencies will only use the generic publication statement(s) if the grant fund section does not require a specific statement. Please refer to the grant fund source section, Publication and Media chapter (if included) for additional information.

Additionally, studies and research/report type publications expressing the direction of project activity must also contain the following federal funding statement:

“The opinions, findings, conclusions or recommendations contained within this document are those of the author and do not necessarily reflect the views of the Department of Justice (or Department of Health and Human Services, Office of Violence Against Women as appropriate) or the State of Tennessee, Office of Criminal Justice Programs.”

- iii. The subrecipient also agrees that one copy of any such publication will be submitted to the Office of Criminal Justice Programs of the Department of Finance and Administration to be placed on file and distributed as appropriate to other potential subrecipients or interested parties.
- iv. All publication and distribution agreements with a publisher will include provisions giving the federal government or state a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal or state government purposes.
- v. Unless otherwise specified in the award, the subrecipient may copyright any books, publications, films, or other copyrightable material developed or purchased as a result of award activities. Copyrighted material shall be subject to the same provisions of the Federal government.
- vi. The subrecipient shall submit a publication and distribution plan to OCJP before materials developed under an award are commercially available or distributed. The plan shall include a description of the materials, the rationale for commercial publication and distribution, the criteria to be used in the selection of a publisher, and, to assure reasonable competition, the identification of firms that will be approached. **Prior OCJP approval of this plan is required for publishing project activities and results when Federal funds are used to pay for the publication.**

XII. Procurement of Goods and Services

The subrecipient must have written purchasing policies. The subrecipient shall follow the same policies and procedures it uses for procurement from its non-Federal funds. The subrecipient shall ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders, their implementing regulations, and the grant contract provisions. The subrecipient must have all goods and equipment on site prior to the end of the grant to request reimbursement for the item under the grant; items received after the grant ends are not allowable expenses under the grant. Procedures must avoid acquisition of unnecessary or duplicative items. Where appropriate, lease versus purchase analysis should be performed as well as other appropriate analysis for determining the most economical method for obtaining items or services. Recipients are encouraged to use Federal/State excess and surplus property when possible.

1. PROCUREMENT STANDARDS

Subrecipients shall use their own written procurement procedures and regulations, provided that the procurement conforms to applicable Federal law and the standards identified in the Procurement Standards Sections of CFR 200.317-200.326. Any subrecipient whose procurement system has been certified by a Federal agency is not subject to prior approval requirements of 28 CFR Parts 200. OCJP's prior approval will only be required for areas beyond limits of the subrecipient certification.

Subrecipients must:

- Have a documented process to check for organizational conflict of interest with potential contractors;
- Have a process in place to ensure that contracts are not awarded to contractors or individuals on the List of Parties Excluded from Federal Procurement and Non-procurement Programs;
- Perform a System for Award Management (SAM) review of potential contractors or individuals; and
- Not award or permit any award at any level to any party which is debarred or suspended.

For details regarding debarment procedures, see the government-wide guidelines for debarment and suspension codified in [2 C.F.R. Part 180](#), and [2 C.F.R. Part 2867](#), which adopts the OMB guidance in subparts A through I of Title 2 CFR Part 180, as supplemented by Title 2 Part 2867, as the DOJ policies and procedures for non-procurement debarment and suspension.

Ensure written procurement procedures address all requirements listed in 2 CFR Part 200 sections:

PROCUREMENT STANDARDS

- §200.317 Procurements by states.
- §200.318 General procurement standards.
- §200.319 Competition.
- §200.320 Methods of procurement to be followed.
- §200.321 Contracting with small and minority businesses, women's business enterprises, and labor

- surplus area firms.
- §200.322 Procurement of recovered materials.
- §200.323 Contract cost and price.
- §200.324 Federal awarding agency or pass-through entity review.
- §200.325 Bonding requirements.
- §200.326 Contract provisions.

2. ADEQUATE COMPETITION

All procurement transactions, whether negotiated or competitively bid and without regard to dollar value shall be conducted in a manner so as to provide maximum open and free competition. Interagency agreements between units of local government are excluded from this provision.

3. NON-COMPETITIVE PRACTICES

The subrecipient shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, and/or Requests for Proposals (RFP's) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to OCJP. Sole source procurements must adhere to the standards set forth in 2 C.F.R. § 200.320(c) in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Recipients may conduct noncompetitive ("sole source") procurement through solicitation of proposals from only one source when one or more of the following circumstances apply:

- The item/service is available only from one source.
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
- Competition is determined inadequate after solicitation of a number of sources.

All sole-source purchases should be reviewed by the Project Director or designee. In any event, the Project Director should be apprised of any sole-source purchase as soon as possible. A written memorandum explaining all emergency purchases and all other sole-source purchases exceeding an amount determined by management should be attached to the file copy of the purchase order.

Any sole source purchase over \$250,000 requires prior approval from the OCJP Program Manager.

XIII. Procurement of Professional Services

Professional service subcontracts must be developed and implemented each time the subrecipient uses professional fees line item from an Office of Criminal Justice Program (OCJP) grant award to pay for services that the subrecipient's staff will not provide. Subrecipients may not enter into a subcontract without obtaining prior written authorization from their OCJP Program Manager.

1. Types of Subcontracts

Project Based Subcontracts: OCJP requires subrecipients to use professional service subcontracts when a subrecipient is planning to subcontract with one provider to carry out multiple pieces of the OCJP funded project. For example, a City may subcontract with a local nonprofit agency to fulfill service expectations of their overall grant funded project.

Project-based professional service subcontracts require a detailed annual budget to be submitted for each year of the subcontract and may either use the Subcontract Monitoring Form (Appendix F) for oversight purposes or their own monitoring tools so long as their tools capture all the same information that is contained on the Subcontract Monitoring Form (Appendix F). See Section 5 of this chapter.

Fee-for-Service Subcontracts: OCJP requires subrecipients to use fee-for-service subcontracts for specific and limited direct services to clients such as counseling services, nursing services, etc. when these services are not provided by subrecipient staff. Fee-for-service subcontracts do not require a detailed annual budget to be submitted for each year of the subcontract but do require a fee scale set for specific activities delineated in the contract and at a rate comparable to the going rate for the service within the specific community; budget information is only required in the payment Terms and Conditions section of the subcontract. Fee for Service Subcontracts are rarely approved, except in specific circumstances, such as for individual therapy sessions. Fees should be market value for the individual service.

2. Setting Up a Subcontract

a. Procurement Policies

Subrecipients must secure subcontracted services through competitive bidding or the use of competitive negotiation. All Requests for written Proposals (RFPs), Invitations to Bid, or other competitive bidding processes should follow approved agency procedures and compliant with applicable state and local guidance. For more information concerning competitive bidding for professional services see Uniform Guidance 200.319-323.

Grantees must utilize their agency cost thresholds and written purchasing procedures, which must follow Uniform Guidance 200.318-323, when acquiring subcontracted services. The subcontracting agency may be required to meet fiscal standards prior to the execution of the subcontract if they are currently not being met.

Subrecipient agencies pursuing a **Project Based Subcontract** must obtain the provided [Pre-Award Risk Assessment](#) and the required accompanying documentation from the subcontracting agency. The subrecipient agency should review the assessment to determine if the subcontracting agency can provide proper fiscal oversight for the subcontract and if the agency is fiscally solvent and not on the debarred list.

b. Required Language

Both Professional Service and Fee-for-Service Subcontracts must include the language found in [Appendix E - Required Subcontract Language](#).

A Sample Subcontract Form with the required language located in Appendix E is available to download.

c. Federal Award Information Notice (FAIN), Special Conditions and Certifications

Subrecipients should provide subcontracting agencies with all Federal Award Information, Special Conditions and Certifications/Assurances that they receive from OCJP, obtain signatures from the subcontracting agency, and save the executed documents along with the subcontract in the OCJP grant file.

Federally funded Subcontracts must include a Federal Award Information Notice (FAIN) that is similar to the Attachment B for all federally funded subcontracts. Reference the example provided in Appendix E Required Subcontract Language.

d. Subcontract Budgets

Subrecipient agencies are accountable to OCJP for the work and performance of their Contractor as procured through a subcontract. Subrecipients must keep a file, on-site, that includes the original subcontract and approved budget information.

Professional Service Subcontracts require a detailed annual budget to be submitted for each year of the subcontract.

Fee-for-Service Subcontracts do not require a detailed annual budget to be submitted for each year of the subcontract; budget information is only required in the payment Terms and Conditions section of the subcontract.

Regardless of subcontract type, subrecipients must keep a file, on-site, that includes the original subcontract and approved budget information.

3. OCJP Authorization

The subcontract must be reviewed and authorized by OCJP before an agency may execute the subcontract. The prior authorization process must occur before the start date of the subcontract. Subrecipients may draft subcontracts for multi-year service cycles, but any changes to that subcontract during the life of the subcontract must be submitted to the agency's OCJP Program Manager for prior authorization.

The subcontract must be reviewed and authorized by OCJP before an agency may execute the subcontract. The prior authorization process must occur before the start date of the subcontract. Subrecipients may draft subcontracts for multi-year service cycles, but any changes to that subcontract during the life of the subcontract must be submitted to the agency's OCJP Program Manager for prior authorization.

The subrecipient agency will submit a draft of all subcontracts to the agency's OCJP Program Manager for review.

Drafts of Project Based Professional Service Subcontracts should be emailed to program managers; in the body of the email agencies should affirm the Pre-Award Risk Assessment has been completed and the agency is solvent and not debarred or suspended.

After the OCJP Program Manager has reviewed and authorized the draft of the subcontract, the subrecipient may acquire the appropriate signatures on the subcontract. OCJP may withhold reimbursement payment for professional services if the agency did not request authorization of the subcontract before the start date of the subcontract.

**** The subrecipient must submit a copy of the signed subcontract to the agency's OCJP Program Manager. ****

4. Consultant Rates of Payment

Consultant rates of payment are to be reasonable and consistent with fees for similar services in the marketplace. This does not mean that the rate can or should be the maximum limit for all consultants. Consultant rates should be consistent with current market value for the service. The consultant rate agreement file must contain a documented market analysis and justification of the agreed upon rate. The market analysis must be provided to OCJP for its subcontract review.

Evaluation of consultant rates will include consideration for compensation which includes fringe benefits versus rates do not. For example, a higher rate within the maximum daily rate might be allowed for similarly qualified consultants who do not receive fringe benefits. Consideration will be given to compensation including fringe benefits for those individuals whose employers do not provide the same. In addition, when the rate exceeds the maximum daily rate allowed (excluding travel and travel-related costs – see Chapter IX - Travel of the OCJP Administrative Manual for more information regarding travel regulations and travel-related costs), prior written authorization from OCJP is required.

The maximum rate for consultants is \$81.25 per hour or \$650 per day.

The term daily rate refers to an eight-hour day. An eight-hour day may include preparation, evaluation, and travel time in addition to the time required for actual performance. Please note, however, that this does not mean that the rate can or should exceed the maximum daily rate allowed by the fund source for all consultants. Rates should be established on a case-by-case basis and must be reasonable and allowable in accordance with OMB cost principles. Consultant daily rates greater than the maximum daily rate allowed by the fund source which are part of the original application and that contain appropriate justification and supporting data will be approved on a case-by-case basis.

- a. Consultants associated with Educational Institutions: The maximum rate of compensation that will be allowed is the consultant's academic salary projected for 12 months, divided by 260. These individuals normally receive fringe benefits which include sick leave for a full 12-month period even though they normally only work nine months per year in their academic positions.
- b. Consultants Employed by Local Government: Compensation for these consultants will only be allowed when the unit of government will not provide these services without cost. If a local government employee is providing services under a Federal grant and is representing their agency without pay from their respective unit of government, the rate of compensation is not to exceed the daily salary rate for the employee paid by the unit of government. If the local government employee is providing services under a Federal grant and is not representing their respective agency, the rate of compensation is based on the necessary and reasonable cost principles.
- c. 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. Resources to determine current market value include:
 - Competitive contract bids
 - The Bureau of Labor Statistics Wage Data by Area and Occupational website.

Subrecipients should include speaker fees in the Travel, Conferences and Meetings budget line. Subrecipients with conferences or meetings with speakers compensated with grant funds must complete a Notification of Speaker Agreement (See OCJP Appendix N: Notification of Speaker Agreement) submit this documentation to OCJP 15 days prior to the event. Refer to Chapter IX Travel, Conferences and Meetings for more information.

5. Oversight of a Professional Subcontracts

Programmatic Monitoring – Determines if service delivery is consistent with subcontract provisions. Written documentation of subcontract monitoring must be maintained. Project Based Subcontract Programmatic monitoring may include any or all the following:

- a. Reviewing the subcontract to determine what service the subcontract is to provide and if this service is being provided;
- b. Reviewing the subcontractor's reports and other materials to determine if services are being provided;
- c. Interviewing direct services delivery staff and others to determine if the services are being performed according to the contract, and/or
- d. Conducting on-site reviews to check the nature and quality of the services being provided.

Fiscal Monitoring – Examines the subcontractor's financial records and procedures as they pertain to the subcontract. Fiscal monitoring may include any or all the following:

- a. Reviewing the subcontractor's invoices to the subrecipient agency;

- b. Comparing the subcontract budget to the actual costs;
- c. Obtaining reasonable documentation that services billed were delivered according to the contract; and/or comparing invoices with supporting documentation to determine that costs were allowable.

Subcontract oversight is a key priority for the distribution of state and federal funds for both Project Based and Fee for Service Subcontracts. Subrecipients must have a process for approving, revising, and monitoring subcontracts. Monitoring policies should clearly address both program and fiscal monitoring of professional services subcontracts.

The Subcontract Monitoring Form (Appendix F), or a similar monitoring document containing these items at minimum along with a substantive fiscal and programmatic monitoring, may be used to record appropriate test work and conclusions and retained as evidence of monitoring grant funded **Project Based Subcontracts**. Subcontract monitoring must be conducted by the agency within 6 months of the subcontract start date and then again annually for multi-year Project Based Subcontracts. The completed monitoring form (either the agency's own form or the Subcontract Monitoring Form (Appendix F) should be retained in the grant file and available for inspection by OCJP staff- see below for additional details on Monitoring Project Based Subcontracts.

Subrecipients are required to provide oversight of Fee-for-Service Subcontracts and be able to demonstrate how they do this during their OCJP monitoring; however, the use of the Subcontract Monitoring Form or its equivalent is not required.

State agencies should follow and use state and internal monitoring policies and forms.

Project Based Subcontract Monitoring: When a subrecipient is planning to subcontract with one provider to carry out multiple pieces of the OCJP funded project it is imperative that the subrecipient provide proper oversight of the subcontractor to ensure the project is being implemented in a manner consistent with the contract scope of service. Project Based Subcontracts have minimum requirements for both programmatic and fiscal monitoring.



XIV. Allowable Costs

Allowable costs are those costs principles identified in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See 2 CFR 200 part 225 and part 230 for additional information. In addition, costs must be reasonable, allocable, necessary to the project, and comply with the funding statute requirements. Discussions of certain elements of the following costs are listed below.

1. CONFERENCES, MEETINGS AND TRAINING ACTIVITIES

Cost thresholds and limitations are in place for the following items:

Meeting room/audio visual services must be pre-approved by your OCJP Program Manager.

Logistical Planners are RARELY ALLOWABLE.

Programmatic Planners are RARELY ALLOWABLE.

All OCJP funded contracts for events that include lodging for 30 or more participants must not exceed the Federal per diem rate for lodging. In the event the lodging rate is not the federal per diem rate or less, none of the lodging costs associated with the event would be allowable costs to the award. As a result, the recipient would be required to pay for all lodging costs for the event, not just the amount in excess of the federal per diem. For example, if the federal per diem for lodging is \$78 per night, and the event lodging rate is \$100 per night, the recipient must pay the full \$100 per night with non-grant funds, not just the difference of \$22 per night.

2. FOOD OR BEVERAGE RARELY ALLOWABLE

Food and beverage costs are rarely allowable. See specific Fund Source chapter for more information.

3. SPACE

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

The total cost of space may not exceed the rental cost of comparable space and facilities in a privately owned building in the same locality. The cost of space procured for program usage may not be charged to the program for periods of non-occupancy without authorization of the federal awarding agency.

Rental Cost: The rental cost of space in a privately owned building is allowable. Rent cannot be paid if the building is owned by the grantee or if the grantee has a substantial financial interest in the property. However, the cost of ownership is an allowable expense. Similar costs for a publicly owned building are allowable where "rental rate" systems, or equivalent systems that adequately reflect actual costs, are employed. Such charges must be determined on the basis of actual cost (including depreciation based on the useful life of the building, operation and maintenance, and other allowable costs). Where these costs are included in rental charges, they may not be charged elsewhere. No costs will be included for purchases or construction that were originally financed by the federal government.

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

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

Costs for rental of any property (to include commercial or residential real estate) owned by individuals or entities affiliated with the recipient or subrecipient, for purposes such as the home office workspace, are unallowable. The cost of related utilities is also unallowable. 2 C.F.R. 200.465(c)(6), (f).

4. POST-EMPLOYMENT

Post-employment benefits are allowable costs if funded in accordance with actuarial requirements. Funds must be paid within six months of recordation.

5. GENERAL SALARIES AND PERSONNEL COSTS

Payment of personnel costs are allowable if costs are a part of an approved project and are necessary and incidental to project implementation and operation. Overtime must receive prior OCJP approval and will only be approved on a case-by-case basis.

6. CONSULTANT FEES

See [Chapter XIII: Procurement of Professional Services](#) for allowable rates.

7. EQUIPMENT, SOFTWARE AND HARDWARE

Equipment, software, and hardware expenses, which are part of an approved project, if necessary and incidental to that project, are allowable expenses. Equipment is defined as tangible non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. "Sensitive Minor Equipment" is defined as moveable, high-risk, sensitive property items purchased with a cost between \$500.00 and \$5,000.00, such as computers (i.e., laptops, tablets), weapons, TVs, and cameras, acquired, used and managed for criminal justice and victim services grant purposes. Software development is an allowable cost and may be expended in the period incurred. See [Chapter X -Property and Equipment](#) of the OCJP Grants Manual for further details.

8. TRAVEL

In cases of agencies that already have written travel policies, procedures, and rates, subrecipients should follow those rates or the State rates, whichever are lower. Requests for exceptions for higher rates must be approved in writing by OCJP prior to initiating travel. (See [Tennessee Travel Regulations](#) and [Federal Per Diem Rates](#))

9. PRIOR APPROVAL

Certain budget items require prior written approval from OCJP before adjusting the budget line-item amount(s). OCJP will review the requested changes and notify the subrecipient once a determination has been made. The following budget items must be approved prior to being implemented by the subrecipient:

- **Salary adjustments** (including grant funded staff percentages of time charged to a single federal award, salary changes, and changes in cost of employee benefits) – Funds may not be moved into or out of the Salaries, Benefits & Taxes line item without prior approval.
- **Depreciation** (updated effective 2/11/2021)
- **Sensitive minor equipment** – see Chapter X - Property and Equipment of the OCJP Grants Manual for further details
- **Furniture**
- **Clothing and/or uniforms** (exception: emergency clothing for victims/clients does not require prior approval)
- **Meeting room/audio visual services**
- **Indirect Cost** – Funds may not be moved into or out of Indirect Cost without prior approval. The request must be accompanied by a copy of the agency's approved indirect cost rate or approved Cost Allocation Plan which includes an indirect rate.



XV. Unallowable Costs

This chapter provides general guidance on unallowable costs. For further clarification, subrecipients should check the specific fund source chapter for additional allowable and unallowable costs. Visit the [DOJ Grants Financial Guide– Unallowable Costs](#) for additional information if federally funded.

1. CONSTRUCTION

Use of OCJP grant funds for construction projects is **prohibited**.

2. 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.

3. SUPPLANTING

Federal funds cannot be used to supplant state or local funds. Supplanting means that federal funds are used to replace state or local funds that would, in the absence of such federal aid, be made available for law enforcement, criminal justice, system improvement, victim compensation and assistance, and drug enforcement. All applicants must certify that formula grant money will be used to increase the amount of funds available for the applicable drug law enforcement, victim service activity or criminal justice system activity.

4. COMPENSATION OF FEDERAL EMPLOYEES

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

5. 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 committee or other program or project duties or assistance are allowable if they have been:

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

6. BONUSES OR COMMISSIONS

Bonuses to staff, officers or board members of profit or non-profit organizations are unallowable.

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 therefore unallowable.

7. 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.

Various State and federal funding have a specific list of unallowable equipment. Consult the fund source specific chapter for additional guidance.

8. LOBBYING

All subrecipients must comply with the provisions of the government-wide Common Rule on Restrictions on Lobbying, as appropriate. Subrecipients must submit a federal SF-LLL form to disclose specific lobbying activities pursuant to Title 31 U.S.C. section 1352

The following lobbying cost prohibition is applicable to all subrecipients of funding:

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; and
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 any 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 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, was recently 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 subrecipients understand that no federally appropriated funding made available under this 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 OCJP. 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.

STOP and SASP – The subrecipient may, however, use federal funds to collaborate with and provide information to federal, state, local, tribal and territorial public officials and agencies to develop and implement policies or model codes designed to reduce or eliminate domestic violence, dating violence, sexual assault, and stalking (as those are defined in 42 U.S.C. 13925 (a)) when such collaboration and provision of information is consistent with the activities otherwise authorized under the grant program.

9. FUND RAISING

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

1. 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 grant.
2. A subgrantee may also expend funds in accordance with approved award terms to seek future funding sources to “institutionalize” the project but not for the purpose of raising funds to finance related or complementary project activities.

10. CORPORATE FORMATION

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

11. STATE AND LOCAL TAXES

State and local taxes are unallowable when the government assesses taxes upon itself or disproportionately to Federal programs or when exemptions are available to the organization directly or by DOJ certified exemptions. Examples of an unallowable tax would be if the government levied taxes as a result of Federal funding or sales taxes when the agency qualifies for an exemption. An example of an allowable sales tax would be user taxes, such as gasoline or lodging tax.

12. GENERAL UNALLOWABLE COSTS

Unallowable costs include:

- Entertainment
- Sports

- Visas
- Passport Charges
- Tips
- Bar Charges/Alcoholic Beverages
- Laundry Charges
- Lodging costs in excess of [Federal per diem](#): For events of 30 or more participants that are funded with an OCJP award, if lodging costs exceed the Federal per diem, any deviation from the conus rate will require prior approval from OCJP
- Food and beverage costs are rarely allowable. See specific Fund Source chapter for more information.
- Gifts/Trinkets/Memorabilia/Commemorative Items: Trinkets (items such as hats, mugs, portfolios, t-shirts, coins, gift bags, etc., regardless of whether they include the conference name or OJP/DOJ or OCJP logo) must not be purchased with DOJ or OCJP funds as giveaways for conferences. Basic supplies that are necessary for use during the conference (e.g., folders, name tags) may be purchased.
- Gift or gas cards
- Late fees
- Legal fees
- Cost in applying for this grant
- Any expenses prior to the grant award date
- First Class Travel
- Management and administrative training
- Sole source contracts (without the prior written approval from the Office of Criminal Justice Programs)
- Cost 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.
- Severance packages (compensation that an employer provides to an employee who has been laid off, whose job has been eliminated, who through mutual agreement has decided to leave the company, or who has parted ways with the company for other reasons)
- Interest
- Credit Card Fees
- Membership fees to organization whose primary activity is lobbying

- Director's Insurance

13. PRIOR APPROVAL

- Certain budget items require prior, written approval from OCJP before adjusting the budget line-item amount(s). OCJP will review the requested changes and notify the subrecipient once a determination has been made. The following budget items must be pre-approved prior to being implemented by the subrecipient:
- Salary adjustments (including grant funded staff percentages and salary changes)- Funds may not be moved into or out of the Salaries, Benefits & Taxes line-item without prior approval.
- Overtime
- Staffing Changes – if a position is added or deleted from the budget.
- Capital Purchases
- Depreciation (updated effective 2/11/2021)
- Sensitive Minor Equipment: See [Chapter X - Property and Equipment](#) of the OCJP Administrative Manual for further details.
- Furniture
- Clothing and/or Uniforms (Exception: Emergency clothing for victims/clients does not require prior approval.)
- Meeting room/audio visual services



XVI. Cost Allocation

1. INTRODUCTION

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. Examples of costs usually treated as indirect include those incurred for facility operation and maintenance, depreciation, and administrative salaries.

Subrecipients will adhere to the CPO Policy 2013-007 (posted online at <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html>) for Cost Allocation Plans for Subrecipients of Federal and State Grant Monies.

Each budget object line-item expense is defined by the U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles (posted on the Internet at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E>) and CPO Policy 2013-007 (posted online at <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html>).

The requirements for the development and submission of indirect cost proposals and cost allocation plans are set out in Appendices III – VI of 2 C.F.R. Part 200, for subrecipients that are a state department, city, county (and subdivision thereof) and state college, university, and technology center. These subrecipients should follow the guidelines applicable to its type of organization:

[2 C.F.R. § 200, Appendix III for Institutions of Higher Education](#)

[2 C.F.R. § 200, Appendix V for State/Local Government Central Service Cost Allocation Plans](#)

[2 C.F.R. § 200, Appendix VII for State/Local/Tribal Indirect Cost Proposals](#)

2. APPROVED COST ALLOCATION PLANS

Subrecipients must submit to OCJP a copy of the approved cost allocation plan in order to request reimbursement for allocated costs. If a cost allocation plan for recovery of allocated costs is not submitted to OCJP within three months of the start of the award period, there is a possibility that allocated costs will be withheld from reimbursements until a cost allocation plan is received.

Subrecipients who are also direct recipients of Federal awards may already have a Federally approved indirect cost rate. If you have negotiated an indirect cost rate with the Federal government, then that rate applies (OCJP will review this on a case-by-case basis).

3. 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, predetermined, or fixed-with-carry-forward provision.

4. DEFINITION OF COSTS

A cost allocation plan is a means of distributing to various programs, costs which benefit more than one program and are not directly assigned. Cost allocation is basically a mathematical exercise to distribute costs to programs in a manner that the costs are proportional to the benefit received.

An agency will incur basically three kinds of costs: direct, administrative, and allocable direct.

1. **Direct costs** are those costs that can be identified to benefit a specific program and include:
 - I. **Salaries** of persons who provide direct services to program beneficiaries and work on only one program,
 - II. **Travel** costs that can be specifically identified to benefit a particular program,
 - III. **Equipment** purchased to be used in only one program and maintenance and/or insurance for that equipment,
 - IV. **Supplies** which are only used in one program,
 - V. **Professional Services** which benefits a single program and
 - VI. **Printing** which benefits a single program.
2. **Administrative Costs** are costs that benefit the operations of the entire agency, but cannot be identified to specific programs and include:
 - I. **Executive Director's salary and benefits** (or administrative portion thereof if the Executive Director spends time on program-related activities),
 - II. **Fiscal Officer's salary and benefits,**
 - III. **Purchasing staff's salary and benefits,**
 - IV. **Secretarial support of administrative employees,**
 - V. **Supplies of administrative employees,**
 - VI. **Travel of administrative employees,**
 - VII. **Occupancy costs (e.g., rent and utilities) of administrative employees,**
 - VIII. **Postage and telephone costs of administrative employees and**
 - IX. **Liability insurance.**
3. **Allocable direct costs** are simply costs which benefit more than one program but do not fall under the criteria of administrative costs and include:
 - I. **Salaries and benefits** of program employees whose work benefits more than one program,
 - II. **Travel** costs of employees whose work benefits more than one program,

- III. **Occupancy** costs of programs,
- IV. **Telephone** costs of programs,
- V. **Supplies** used by more than one program,
- VI. **Contract** for professional services that benefit more than one program,
- VII. **Rental and maintenance** for equipment used by more than one program and
- VIII. **Audit costs.**

5. ALLOCATION METHODS

The periodic allocation of actual expenditures, rather than use of a fixed or provisional indirect cost rate, is the most appropriate and equitable method of cost allocation. The following are allowable methods to allocate administrative costs and allocable direct costs. Exceptions will be allowed, providing prior approval of the alternative method is granted from the cognizant state agency. The idea is to allocate to programs and/or fund sources its fair share of the indirect cost.

Administrative costs should be accumulated in a separate cost pool. After allocating the administrative cost pool its share of the allocable direct costs, the total should be periodically allocated to the programs based on the percentage of total direct program salaries. Another method is using total direct costs to distribute administrative costs. The actual administrative costs are allocated to each program based on its percentage of total direct costs for the period after allocation of allocable direct costs.

Several different methods may be acceptable for the allocation of allocable direct costs. The following are specific examples:

- 1. **Salaries and benefits** – allocate on the basis of time records, records of the number of clients served, or other approved basis,
- 2. **Travel** – allocate on the same basis as salaries and benefits,
- 3. **Occupancy costs for program areas** – allocate based on the number of square feet occupied by the program area as a percentage of total square feet allocated to all program areas,
- 4. **Telephone costs** – allocate based on the number of personnel, number of line, or other equitable method,
- 5. **Supplies** – allocate based on the number of personnel per program, number of clients served, or other equitable method,
- 6. **Contracts for services, which benefit more than one program** – allocate based on the number of clients served, or other equitable method and
- 7. **Equipment rental and maintenance** – allocated based on usage logs or other equitable method.

6. INSTRUCTIONS FOR COST ALLOCATION PLANS

Subrecipients must prepare a narrative describing in detail the methods used to allocate costs to the various programs. The plan should include an organizational chart and documents and schedules to support the allocation methods.

The following should be used in the preparation of the plan:

1. Effective period of the proposal,
2. Certificate of Indirect Costs,
3. A listing of grants and contracts by Federal agency, amounts, period of performance, and the indirect cost limitations (if any) applicable to each, such as ceiling rates or amount,
4. Organization Chart showing the structure of the agency during the period for which the proposal applies, along with functional statement noting the duties and/or responsibilities of all units that comprise the agency,
5. A copy of the financial statements prepared by either a certified public accountant or State government auditor, or a copy of the official budget, if the budget reports the actual expenditures for the year on which the proposal is based, and the audit report, if applicable and
6. Chart of Accounts

Agencies identified as having Finance and Administration (F&A) as their cognizant agency must have cost allocation plans and indirect cost rates approved by F&A (see section 8 below). Cost Allocation Plans must be submitted at least every 5 years for approval. Agencies with an approved Cost Allocation Plan or Indirect Cost Rate from another cognizant Federal Agency or another State agency other than F&A, must submit this approved CAP/IDCR to your OCJP Program Manager at the time of application and at any point that an altered CAP/IDCR has been approved. Agencies with an approved Cost Allocation Plan from a state agency other than F&A, and requesting an approved IDCR (see section 8 below).

7. INSTRUCTIONS FOR DE MINIMIS RATE ELECTION

Non-federal agencies can select to use the 10% de minimis rate. The de minimis rate can be charged at 10% of Modified Total Direct Costs (MTDC). MTDC is defined at 2 CFR 200.01 as being: "All direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000." The first \$25,000 of subawards can be taken when each subaward is initially issued, separately negotiated, or renegotiated over the Federal grant's period of performance (i.e. not \$25,000 for each entity's fiscal year). Some NFPs have found it helpful to have two separate subaward general ledger accounts: one account that tracks the first \$25,000 of subawards and another account that records costs in excess of the first \$25,000.

If electing to use the de Minimis rate, fill out and submit the [Certification of De Minimis Indirect Cost Rate Form](#) with the application.

8. Submitting Cost Allocation Plans and Indirect Cost Rate Proposals for Approval

Agencies identified as having Finance and Administration as its cognizant agency and seeking to charge indirect costs to grants, must submit both a cost allocation and indirect cost rate to OBF.Grants@tn.gov and copy your program manager prior to receiving a new contract. The plan must be approved by F&A prior to having indirect costs approved in your grant budget.

Cost Allocation Plans requiring updated approval due to changes in how costs are applied in their budgets must be submitted by February 28th for use in the following fiscal year.

Indirect cost rates must be submitted annually by February 28th for use in the following fiscal year (unless requesting use of the de minimus rate).

Cost Allocation Plan Approval Request and/or Indirect Cost Rate Approval Request:

Subrecipient must collect the following documents and sends one email request to OCJP.fiscal@tn.gov with all documents attached and copy your OCJP Program Manager.

The email subject must read Cost Allocation Plan Approval Request **or** IDCR Approval Request **or** CAP **and** IDCR Approval Request and copy the OCJP Program Manager.

Cost Allocation Plan Required Documents:

- Memo addressed to F&A requesting approval and certifying that the information contained within is true and accurate.
- Narrative –
 - Narrative describing the methodology of the Cost Allocation Plan on Letterhead and signed by the authorized official
 - Outline Plan for Direct Costs
 - Outline Plan for Administrative Costs
 - Outline of multiple cost allocation pools if applicable
- Agency's Organizational Chart
- Current Agency Budget for the current fiscal year
- Financial Records
 - Agency's Chart of Accounts
 - Total of all expenses direct and indirect
 - Totals of the overall operation including revenue
 - Final Expense Summary
 - Program Revenue Report

Checklist for Indirect Cost Rate Approval:

- Everything required above for the CAP approval
- [IDCR Proposal Certification](#)
- Memo/letter requesting F&A approval of an IDCR (can be combined with the above if requesting both)
- Signed [IDC Checklist](#)

- Approved Cost Allocation Plan outlining how costs are allocated.
- Proposed Calculation of Indirect Cost Rate

The plan must be approved by F&A prior to having indirect costs approved in your grant budget.



XVII. Grant Project Revisions & Modifications

1. NARRATIVE / SCOPE OF SERVICES REVISIONS

Program revisions may be considered as needed and as requested for changes in the program narrative. The subrecipient must obtain **prior written approval** from OCJP for any change in program narrative or scope of services. Program narrative revisions are **not** automatic. See [Chapter XVIII](#) for changes or revisions that would necessitate an amendment.

2. BUDGET MODIFICATIONS (updated 7/1/2018)

Agencies may make changes to their project budget through the use of the 20% Rule. This rule allows for changes to approved budget lines (except for Salaries, Benefits & Taxes, Indirect Cost and In-kind) as long as those changes are for no more than 20% of the **line-item total**. Prior approval from OCJP is not needed to utilize the 20% Rule except as detailed in the **Note** below. The agency may utilize the 20% Rule to move funds among approved budget categories providing that:

1. The cumulative amount that a budget line-item is increased or decreased within a fiscal year cannot exceed 20% of that budget line-item total.
2. Movement of dollars does not include line-items with zero-dollar amounts.
3. Any increase made to a budget line-item must be off-set by an equal reduction of one or more approved budget line-item(s).
4. Movement of dollars does not change the project purpose/goals or intended outcomes.
5. Movement of funds using this process must adhere to all other OCJP grant requirements that may apply.

Note: Funds may not be moved into or out of **Salaries, Benefits & Taxes, Depreciation, Indirect Cost or In-kind Match** without prior approval. The request must be accompanied by a copy of the agency's approved indirect cost rate or approved Cost allocation Plan which includes an indirect rate if altering the indirect costs line and a new depreciation schedule if altering the depreciation line.

Example: There is \$200 in the budget's travel line-item, and you want to move more money into the travel line-item. The maximum amount that can be moved into the travel line-item is \$40 for the entire fiscal year ($\$200 \times 20\% = \40). A separate approved line-item(s) must be reduced by the corresponding \$40, and the reduced amount cannot exceed 20% of that line item.

**** NOTE:** Do not change columns of the OCJP Invoice for Reimbursement Form**

3. PRIOR APPROVAL

Certain budget items require **prior written approval** from OCJP before adjusting the budget line-item amount(s) outside the scope of the approved budget. OCJP will review the requested changes and notify the subrecipient once a determination has been made. The following budget items must be pre-approved **prior** to being implemented by the subrecipient:

1. Salary adjustments (including grant funded staff percentages and salary changes) - Funds may not be moved into or out of the Salaries, Benefits & Taxes line item without prior approval.
2. Overtime
3. Staffing Changes – if a position is added or deleted from the budget
4. Capital Purchases
5. Depreciation – unallowable beginning FY21
6. Sensitive Minor Equipment – see Chapter X- Property and Equipment of the OCJP Administrative Manual for further details
7. Furniture
8. Clothing and/or Uniforms (Exception: Emergency clothing for victims/clients does not require prior approval.)
9. Meeting room/audio visual services
10. Indirect Cost – Funds may not be moved into or out of Indirect Cost without prior approval. The request must be accompanied by a copy of the agency's approved indirect cost rate or approved Cost allocation Plan which includes an indirect rate.

XVIII. Contract Amendments

All proposed changes must be submitted in writing to OCJP for approval. OCJP will review the requested changes to determine if the proposed revisions are allowable, and if they warrant a contract amendment. If OCJP approves of the requested changes, and it is determined that an amendment is necessary, then OCJP will initiate the contract amendment process. The contract amendment document must be signed by the subrecipient and the Commissioner of the Department of Finance and Administration **prior** to it being implemented by the subrecipient.

Agencies should be monitoring their project on a regular basis to address budget concerns in a timely manner. As a result of the fiscal year end closing, amendments are rarely approved for May or June of the current fiscal year.

1. PROGRAM NARRATIVE / SCOPE OF SERVICES AMENDMENTS

The subrecipient must obtain **prior**, written approval from OCJP for any change in program narrative or scope of services. In order to significantly modify the programmatic goals and/or objectives of an original contract, new Program Narrative Statements must be developed demonstrating any change in the following areas:

1. Target population,
2. Project goals,
3. Objectives,
4. Project activities,
5. Collaborative activities,
6. Performance measures,
7. Staffing, and/or
8. Multi-year goals and objectives.

2. BUDGET AMENDMENTS

A budget amendment is necessary anytime the total *federal or state* funding amount of a grant/contract is increased or decreased and/or if movement of funds between budget line-items is greater than 20 % of the line-item amount. The subrecipient must secure **prior** written approval from OCJP for all contract budget amendments. The written request must be accompanied by amended detail and summary budget pages and any related documentation supporting the change.

Amendments to the budget are not automatic and are not guaranteed. Budget amendments will be considered on a case-by-case basis.

3. AGENCY NAME CHANGE AMENDMENTS

A contract amendment is required to change the legal name of a subrecipient agency.

An agency name change request must be submitted in writing to OCJP along with copies of the official documentation supporting the legal action. This legal action generally involves non-profit agencies and results in approval of the Amendment to the Charter on file with the Secretary of State. OCJP will in turn review the documentation and amend existing OCJP contracts to reflect the legal change.

[Revised Substitute W-9](#) and [ACH \(Automated Clearing House\)](#) forms must also be submitted to OCJP before the amendment can be processed.

The agency name change amendment must be approved by OCJP. The contract amendment document must be signed by the subrecipient and the Commissioner of the Department of Finance and Administration.



XIX. Subrecipient Monitoring

Definition of Monitoring

Monitoring is the review process used to determine a subrecipient's compliance with the requirements of a state and/or federal program, applicable laws and regulations, and stated results and outcomes. Monitoring also includes the review of internal controls to determine if the financial management and the accounting system are adequate to account for program funds in accordance with state and/or federal requirements. Monitoring should result in the identification of areas of non-compliance with the expectation that corrective action will be taken to ensure compliance.

Grant oversight continues to remain a key priority for distribution of federal funds. Simply put, because the threshold for federal auditing requirements has increased OMB has built in the funds for contractual/agency monitoring including both the programmatic side of the grant as well as the fiscal components of the grant (the scope being less than that of a full audit).

A. Audit Requirement

For fiscal years beginning on or after December 26, 2014: If you are a non-Federal entity that expended \$750,000 or more in Federal funds (from all sources including pass-through subawards) in your organization's fiscal year (12-month turnaround reporting period), then you are required to arrange for a single organization-wide audit conducted in accordance with the provisions of [Title 2 C.F.R. Subpart F \(200.500 et seq.\)](#).

For fiscal years beginning before December 26, 2014: If you are a non-Federal entity (other than a for-profit/commercial entity) that expended \$500,000 or more in Federal funds (from all sources including pass-through subawards) in your organization's fiscal year (12-month turnaround reporting period), then you are required to arrange for a single organization-wide audit conducted in accordance with the provisions of Office of Management and Budget (OMB) [Circular A-133 Compliance Supplement 2014](#).

If you are a non-Federal entity that expended less than the applicable audit threshold a year in Federal awards, you are exempt from Federal audit requirements for that year. However, you must keep records that are available for review or audit by appropriate officials including the Federal agency, pass-through entity, and U.S. Government Accountability Office (GAO). Grant oversight continues to remain a key priority for distribution of federal funds. Simply put, because the threshold for federal auditing requirements has increased OMB has built in the funds for contractual/agency monitoring including both the programmatic side of the grant as well as the fiscal components of the grant (the scope being less than that of a full audit).

B. Policy 2013-007

The Department of General Services (DGS) was tasked with the oversight of grants and grant monitoring beginning in fiscal year 2012. In May 2013 DGS issued Policy 2013-007 to replace Policy 22. Policy 2013-007 revised the requirements for subrecipient contract monitoring for the State of Tennessee to

“provide uniformity in the reporting of, and controls over, the expenditure of awards in connection with the delivery of services by subrecipients of federal and State awards.”

The OCJP monitoring unit is responsible for performing monitoring activities in accordance with Policy 2013-007, to ensure that Federal and State awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and ensuring performance goals are achieved.

Policy 2013-007:

1. Issued by the Department of General Services, Central Procurement Office.
2. Sets criteria on the selection of subrecipient contracts to be monitored in any given fiscal year.
3. Requires state agencies to submit monitoring plans annually.
4. Provides monitoring guidance.

C. OCJP Monitoring

1. The OCJP Provides Monitoring to:

Determine subrecipient compliance with the requirements of state and/or federal programs, applicable laws and regulations and stated results and outcomes: Programmatic Monitoring.

Ascertain if internal control over financial management and accounting systems are adequate to account for program funds in accordance with state and federal requirements: Fiscal Monitoring.

2. Subrecipient Agency Preparation for a Monitoring Visit:

OCJP subrecipients can expect to be monitored programmatically and fiscally at least once during a three-year period (some subrecipients will be monitored annually).

Subrecipient agencies are selected for monitoring based on their level of risk as determined by OCJP. Examples of criteria used to determine risk are the number of grants received from OCJP, amount of funding received and previous areas of concern. Based on the level of risk a subrecipient may or may not be identified for a monitoring review in any given year of their contract period.

Prior to an on-site monitoring visit, subrecipients will receive notification from OCJP detailing the date and time of the monitoring visit in addition to what information will be requested. The agency may be requested to send some documents prior to the visit. The information requested for the monitoring visit may include completed, printed year-to-date program fund source annual reports. These will be provided to the OCJP staff at the time of the review. It is OCJP's expectation that all agencies scheduled for a monitoring visit will be prepared and have available all the information requested when the visit is arranged. Additional documentation may be requested at the time of the review. Failure to cooperate fully with the monitoring process will result in written documentation of the agency's lack of compliance.

3. On-site Monitoring Review Expectations:

XIX. Subrecipient Monitoring

Last Update: 2/2/2024

The onsite monitoring review will start with an entrance conference. It is expected that the Project Director will be present for the programmatic monitoring entrance conference, and Fiscal Director will be present during the fiscal monitoring entrance conference. The chairperson of the governing board or designee, and authorizing official are also encouraged to attend this meeting. The monitor will explain the review process and the monitoring schedule. The project director should make sure that all requested information is available before the review.

The project director and fiscal director should be available during the entire review related to their responsibilities. The monitor will require explanation of supporting documents supplied by the agency. Additional information will be needed during most reviews. Equipment and other purchases through the grant should also be made available for inspection. If needed, the agency should contact the program monitor before the review to arrange workable solutions concerning availability of equipment.

All grant funded staff should also be available for interviews by the program monitor. The monitor has the prerogative to interview staff in private. This may include grant funded staff and other agency staff associated with the grant. The monitor may elect to do telephone interviews with staff in field offices. The agency should provide phone numbers and a list of staff locations.

The exit conference will be held at the end of the review. Again, the project director and fiscal director should be available at the exit conference. The board chairperson or designee and authorizing official are encouraged to attend. The monitor will discuss any known findings and/or observations at this time and the corrective action plan submission procedure.

4. Disposition and Monitoring Report

At the conclusion of all monitoring review requirements, a monitoring report will be issued within thirty (30) business days. The report will be issued to the subrecipient, OCJP management as well as to the Comptroller of the Treasury/Division of Audit. The monitoring report must be maintained on-site by the subrecipient as part of the subrecipient grant file.

The subrecipient must obtain **prior**, written approval from OCJP for any change in program narrative or scope of services. In order to significantly modify the programmatic goals and/or objectives of an original contract, new Program Narrative Statements must be developed demonstrating any change in the following areas:

1. Target population,
2. Project goals,
3. Objectives,
4. Project activities,
5. Collaborative activities,
6. Performance measures,
7. Staffing, and/or

8. Multi-year goals and objectives.

D. Agency Response - Corrective Action Plan

Subrecipient Monitoring Reports may include four possible results:

1. No findings of Noncompliance

OCJP does not identify any area(s), either programmatic or fiscal, that do not comply with specific criteria found in state or federal statutes, rules and/or regulations, OCJP subrecipient grant contract(s), state departmental policy for the subrecipient program, or good business practice.

If the OCJP monitoring review results in no findings of noncompliance, no further action from the subrecipient is needed.

2. Findings of Noncompliance

OCJP identifies an area(s), either programmatic or fiscal, that does not comply with specific criteria found in state or federal statutes, rules and/or regulations, OCJP subrecipient grant contract, state departmental policy for subrecipient programs, or good business practice. If the OCJP monitoring review identifies findings of noncompliance, the subrecipient will be allowed thirty (30) business days from the issued date of the report to submit a corrective action plan to the Office of Criminal Justice Programs outlining how the agency plans to correct the finding(s). (See [OCJP Appendix R](#) for template) If the subrecipient has any questions regarding the report or their required written response to a noncompliant finding or observation report then they should contact their OCJP Program Manager for assistance.

The Corrective Action Plan must include:

- I. A statement of whether the subrecipient agency agrees with the finding or not.
- II. A detailed plan of how the agency will correct each individual finding to prevent this or similar finding in the future or justification for the subrecipient's disagreement with the finding(s).
- III. Attachment of any subrecipient documents, forms, policy changes, reports, accounting tools, time sheets, data collection forms, etc. that ensures the subrecipient has corrected the finding(s).
- IV. If the subrecipient disagrees with a finding(s) identified by OCJP, detailed documentation must also be submitted to refute the questioned finding(s).
- V. The CAP must be signed by the Authorized Official.
- VI. Repayment of all Questioned Costs listed in the Monitoring Report.

3. Findings of Noncompliance Resulting in Questioned Costs

In addition to all the requirements listed above in Section 2. (b). (Findings of Noncompliance) the subrecipient will need to repay all Questioned Costs listed in the Monitoring Report. To repay the Questioned Costs by check, submit a check (made payable to the State of Tennessee)

for the total of the Questioned Costs with the Corrective Action Plan within the allowed thirty (30) business days from the issuance date of the report to:

William R. Snodgrass TN Tower

C/O Office of Business and Finance

312 Rosa L. Parks Avenue, 21st Floor

Nashville, TN 37243-1102

*****Updated***** Please note that checks are to be addressed to the Office of Business and Finance.

Please list the contract number on the check or in the correspondence attached to the check and the fiscal year which the questioned costs applies to in order for the repaid questioned costs to be applied to the proper fiscal year and the proper subrecipient contract number.

4. Observations

An observation does not generally result from noncompliance as a finding, but rather is a situation observed by a monitor that is deemed to be a potential problem or of interest to the grantor agency and therefore is reported.

If a monitoring review identifies an observation, the subrecipient will be allowed thirty (30) business days from the issued date of the report to submit a response explaining the observation and outlining how the agency plans to correct the observation.

The Corrective Action Plan for Observation(s) should include:

- I. A statement of whether the subrecipient agency agrees with the observation or not.
- II. A detailed statement of how the agency will address each individual observation to prevent a finding in the future, if needed.
- III. Attachment of any subrecipient documents, forms, policy changes, reports, accounting tools, time sheets, data collection forms, etc. that ensures the subrecipient has corrected the observation, if needed.
- IV. If the subrecipient disagrees with an observation(s) identified by OCJP, detailed documentation must be submitted to refute the questioned observation(s).
- V. The CAP must be signed by the Authorized Official
- VI. Address all observations in the same manner as findings.

5. Submission and Response

Finding(s) of Noncompliance and Observation(s) CAPs can be combined and submitted as one document for either one or more contracts managed by the agency. Corrective Action Plans for Finding(s) of Noncompliance and Observation(s) should be emailed to the OCJP Assistant Director, Quality Assurance at OCJP.Compliance@tn.gov. It is not necessary to mail a hard copy. Questioned Cost repayment must be mailed according to the instructions above in #3.

The Corrective Action Plan must be completed by either the Project Director or their designee, signed by the Authorized Official and be submitted no later than thirty (30) business days after the issue date of the OCJP Subrecipient Monitoring Report.

NOTE: A template for the Corrective Action Plan is at [OCJP Appendix R: CAP Template](#). Although the use of the template is not mandatory, information in your Corrective Action Plan must be consistent with that which is included in the template.

OCJP Response:

Upon receipt of a Corrective Action Plan or Observation Report, OCJP will review and determine its adequacy. If OCJP finds the Corrective Action Plan or Observation Report is adequate, then OCJP will issue a letter of approval. In the event concerns remain, OCJP will determine what additional steps are needed and relate those requirements to the subrecipient in writing with an expected date of response by the subrecipient.

All official correspondence regarding the monitoring report and subrecipient responses will be sent by email to the contract Authorized official, the project director, and other interested individuals as appropriate.

All correspondence, including email, from OCJP to the subrecipient regarding the monitoring report and subrecipient responses must be maintained on site by the subrecipient as part of the subrecipient grant file.



XX. Retention of and Access to Records

1. CLIENT FILE REQUIREMENTS

Each client served should have a file documenting any and all services received.

Each client served using grant funds should have a file documenting any and all services received. Files should include documentation of any and all services received, including but not limited to:

- Type of case (Domestic Violence, Homicide, etc.)
- Client Eligibility
- Communications (copies of letters, notes of conversations, etc.)
- Activities provided to client, date and detail

Certain types of agencies will also need to include the following, if applicable:

- Referrals (CIC, Shelter, Counseling, etc.)
- Safety Planning (safe place to wait, escort from car, etc.)

Each client file should have a contact or notes sheet to facilitate this documentation. Make it easy to use so you can document activities, especially in court.

If your agency utilizes a records management system (RMS)— ensure that information in the RMS is correct and can be viewed by your program monitor.

2. RETENTION OF RECORDS

In accordance with the requirements set forth in [28 CFR Part 66](#) for state and local governments and [Part 70](#) for Non-Profit organizations, all financial records, supporting documents, statistical records, and all other records pertinent to the award shall be retained by each subrecipient organization for AT LEAST FIVE YEARS following the closure of their most recent audit report containing the final invoice of the Grant Contract. Retention is required for purposes of Federal and State examination and audit. Records may be retained in an automated format. State or local governments may impose record retention and maintenance requirements in addition to those prescribed. Reference [2 CFR 200.333](#)

- **Coverage:** The retention requirement extends to books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel, and payroll records, cancelled checks, and related documents and records. Source documents include copies of all awards, applications, and required subrecipient financial and narrative reports. Personnel and payroll records shall include the time and attendance reports for all individuals reimbursed under the award, whether they are employed full-time or part-time. Time and effort reports are also required for subcontractors.
- **Retention Period:** The **five-year retention period** starts from the date of the submission of the closure of the single audit report which covers the grant period. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration

of the five-year retention 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 five year retention period, whichever is later.

3. MAINTENANCE OF RECORDS

Subrecipients of funds are expected to see that records of different fiscal periods are separately identified and maintained so that information desired may be readily located. Subrecipients are also obligated to protect records adequately against fire or other damage. When records are stored away from the subrecipient's principal office, a written index of the location of records stored should be on hand and ready access to the records should be assured.

4. ACCESS TO RECORDS

The awarding agency includes OCJP, the Federal Agency, the DHHS and the DOJ Office of the Inspector General, the Comptroller General of the United States, or any of their authorized representatives, who shall have the right of access to any pertinent books, documents, papers, or other records of subrecipients which are pertinent to the award, in order to make audits, examinations, excerpts, and transcripts. The right of access must not be limited to the required retention period but shall last as long as the records are retained.

5. CONFIDENTIALITY

To ensure the safety of victims and their families, subrecipients shall protect the confidentiality and privacy of persons receiving services. The obligations set forth in this Section shall survive the termination of this Grant Contract.

Personally identifying information (PII) or personal information means individually identifying information for or about an individual including information likely to disclose the location of a victim regardless of whether the information is encoded, encrypted, hashed or otherwise protected, including:

- First and last name;
 - Home or other physical address;
 - Contact information (including, but not limited to, email address, telephone/fax number, web address or postal address);
 - Social security number, driver's license number, passport number, student identification number; and
 - Any other information including date of birth, racial or ethnic background, or religious affiliation that would serve to identify an individual.
- a. Confidentiality Policy:** Each agency that receives a grant from the Office of Criminal Justice Programs (OCJP) to provide direct services to victims of crime should have a confidentiality policy in place to protect confidential personally identifying information. Furthermore, confidentiality statements should be signed by all staff, volunteers, interns, board members, etc. and should state, at a minimum, that s/he will protect the personally identifying information of all persons contacting

the agency for service, regardless of whether these persons actually receive services from the agency.

Agencies should ensure that all client information that contains personally identifying information is kept out of view from clients, visitors, volunteers, and others who are not authorized to view the information.

Agencies should never ask support group participants to sign a log-in sheet with their first and last name or any other personally identifying information. Agencies should tell a support group participant that signing in is optional.

b. Nondisclosure: Subject to subparagraphs (c) and (d) below, subrecipients shall not:

- disclose, reveal, or release any personally identifying information or individual information collected in connection with services requested, utilized, or denied through the subrecipient's programs, regardless of whether the information has been encoded, encrypted, hashed, or otherwise protected; or
- disclose, reveal, or release individual client information without the informed, written, reasonably time-limited consent of the person (or in the case of an unemancipated minor, the minor and the parent or guardian or in the case of legal incapacity, a court-appointed guardian) about whom information is sought, whether for this program or any other Federal, State, tribal, or territorial grant program, except that consent for release may not be given by the abuser of the minor, incapacitated person, or the abuser of the other parent of the minor.

If a minor or a person with a legally appointed guardian is permitted by law to receive services without the parent's or guardian's consent, the minor or person with a guardian may release information without additional consent.

c. Release of Information: If release of information described in subparagraph (B) is compelled by statutory or court mandate:

- subrecipients shall make reasonable attempts to provide notice to victims affected by the disclosure of information; and
- subrecipients shall take steps necessary to protect the privacy and safety of the persons affected by using an approved release of information.

[Sample Release of Information Form](#)

d. Information sharing

1. Subrecipients may share--
 - Nonpersonally identifying data in the aggregate regarding services to their clients and nonpersonally identifying demographic information in order to comply with Federal, State, tribal, or territorial reporting, evaluation, or data collection requirements

- Court-generated information and law enforcement-generated information contained in secure, governmental registries for protection order enforcement purposes; and
 - Law enforcement-generated and prosecution-generated information necessary for law enforcement and prosecution purposes.
2. In no circumstances may--
- An adult, youth, or child victim of crime be required to provide a consent to release his or her personally identifying information as a condition of eligibility for the services provided by the grantee or subrecipient
 - Any personally identifying information be shared in order to comply with Federal, tribal, or State reporting, evaluation, or data collection requirements, whether for this program or any other Federal, tribal, or State grant program.
3. Statutorily mandated reports of abuse or neglect

Nothing in this section prohibits a subrecipient from reporting suspected abuse or neglect, as those terms are defined and specifically mandated by Tennessee Code Annotated (TCA), 37-1-403; 37-1-605 and 71-6-103. See Grant Certifications

[Release of Information Best Practices](#)

For more information on confidentiality, especially for STOP and SASP subrecipients, consult [the Office on Violence Against Women FAQs](#).

6. HIPAA COMPLIANCE REQUIREMENTS

The State and the Subrecipient shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the “Privacy Rules”). The obligations set forth in this Section shall survive the termination of this Grant Contract.

- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
- b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT “protected health information” as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

XXI. Sanctions and Termination of Funding

1. SANCTIONS

If a subrecipient materially fails to comply with the terms and conditions of a contract, including civil rights requirements, whether stated in a federal statute, regulation, assurance, application, or notice of award, OCJP may take one or more of the following actions as appropriate in the circumstances:

1. Temporarily withhold cash payments pending correction of the deficiency by the subrecipient.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
3. Wholly or partly suspend or terminate the current contract.
4. Withhold further contracts for the project or program.
5. Designate "Restrictive Probationary Status."

a. Restrictive Probationary Status Criteria: In general, a subrecipient may be designated "Restrictive Probationary Status" if:

1. Subrecipient has a history of unsatisfactory performance.
2. Subrecipient is not financially stable.
3. Subrecipient has not conformed to the terms and conditions of previous contracts. For example: The subrecipient has been unable to complete past projects and submit deliverables within the accepted timeframe and/or budget.
4. The subrecipient is otherwise not responsible. For example: The subrecipient is not responsive to requests from the OCJP Program Manager for documentation needed to address open site visit findings.
5. Significant issues are identified during grant programmatic or financial monitoring reviews, budget reviews, financial capability review, etc.

b. Mandatory Special Conditions: If a subrecipient is designated as Restrictive Probationary Status, additional special conditions and/or restrictions that correspond to the designation will be included with the grant contract. All subrecipients designated as Restrictive Probationary Status may receive *three mandatory special conditions*:

1. Subrecipient will be required to submit additional grant-related documentation to OCJP.
 2. Subrecipient will be required to participate in additional desk or on-site monitoring by OCJP.
 3. Subrecipient must complete training determined by OCJP.
- Additional special conditions will be applied as appropriate to the situation.

2. TERMINATION FOR CONVENIENCE

As staff of the Department of Finance and Administration, OCJP, is committed to assisting subrecipient staff to realize contract success and will utilize all reasonable means to resolve problems or address potentially critical issues. Failure by a subrecipient to materially comply with the terms of the contract or

of the requirements described in this OCJP Grants Manual may be considered grounds for termination of subrecipient funding.

The State may terminate the grant by giving the subrecipient at least thirty (30) days written notice before the effective termination date. In that event, the subrecipient shall be entitled to receive equitable compensation for satisfactory, authorized services completed as of the termination date.

3. TERMINATION FOR CAUSE

If the subrecipient fails to fulfill its obligation under the Grant in a timely or proper manner, or if the subrecipient violates any terms of the grant, the State shall have the right to immediately terminate the Grant and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the subrecipient shall not be relieved of liability to the State for damages sustained by virtue of any breach of the grant by the subrecipient.

While termination of funding will not be exercised without prior written notice to the subrecipient, any consideration of future grant requests by the subrecipient may be influenced by the gravity and extent of the irregularities causing termination as determined by F&A, OCJP.

4. FRAUD, WASTE AND ABUSE

The recipient is responsible for promptly notifying OCJP and the State of Tennessee Comptroller of any illegal acts or irregularities and or proposed actual actions. Please notify the State of Tennessee Comptroller Hotline at 1-800-232-5454 of any irregularities that occur. Illegal acts include: conflicts of interest, falsification of records or reports, misappropriation of funds or other assets, and/or fraud, waste or abuse.

The recipient and any subrecipients ("subgrantees") must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award -- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by:

1. Online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online")
2. Mail directed to:
**U.S. Department of Justice
Office of the Inspector General, Investigations Division
ATTN: Grantee Reporting
950 Pennsylvania Ave., NW
Washington, DC 20530**

3. Facsimile directed to the DOJ OIG Fraud Detection Office (Attn: Grantee Reporting) at (202) 616-9881 (fax)

Additional information is available from the DOJ OIG website at <http://www.usdoj.gov/oig>.

5. NON-DISCLOSURE AGREEMENTS

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

If OCJP learns or is notified that a subrecipient agency is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal funding agency, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that federal agency.

6. REPRISAL

Subrecipients must comply with, and are subject to, all applicable provisions of [41 U.S.C. 4712](#), including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant. The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under [41 U.S.C. 4712](#).

7. WHISTLEBLOWER PROTECTIONS

Subrecipients of OCJP grants and cooperative agreements must comply with, and are subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee of an OCJP subrecipient by the OCJP subrecipient as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant. Additional information is available from the DOJ OIG website at <https://oig.justice.gov/> and in the DOJ Whistleblower Information documents linked below:

- [DOJ Whistleblower Information](#)
- [DHHS Whistleblower Information](#)

XXII. Civil Rights

In the event of a formal allegation of Civil Rights discrimination, including those related to employment, or an adverse finding of discrimination against a subrecipient agency by a federal or state court or a federal or state administrative agency, OCJP subrecipients are required to immediately notify the OCJP Civil Rights coordinator in writing by completing the Civil Rights Complaint Notification form (See [Appendix P: Discrimination Complaint Notification](#)) within 45 days.

1. Laws That Protect Civil Rights in Federally Assisted Programs

- I. **Title VI of the Civil Rights Act of 1964**, as amended, prohibits discrimination on the basis of race, color, or national origin in the delivery of services or benefits by recipients of federal financial assistance. [42 U.S.C. 2000d](#); [28 C.F.R. pt. 42, subpt. D.](#)
- II. **Section 504 of the Rehabilitation Act of 1973**, as amended, prohibits discrimination on the basis of disability in both employment and the delivery of services or benefits by recipients of federal financial assistance. [29 U.S.C. § 794](#); [28 C.F.R. pt. 42, subpt. G.](#)
- III. **Title II of the Americans with Disabilities Act of 1990**, as amended, prohibits discrimination on the basis of disability in both employment and the delivery of services or benefits by public entities. [Statute](#); [42 U.S.C. § 12132](#); [28 C.F.R. pt. 35](#). [Revised ADA Regulations Implementing Title II and Title III](#)
- IV. **The Age Discrimination Act of 1975**, as amended, prohibits discrimination on the basis of age in the delivery of services or benefits by recipients of federal financial assistance. [42 U.S.C. § 6102](#); [28 C.F.R. pt. 42, subpt. I.](#)
- V. **Title IX of the Education Amendments of 1972**, as amended, prohibits discrimination on the basis of sex in educational programs or activities receiving federal financial assistance. [20 U.S.C. § 1681](#); [34 C.F.R. pt. 106](#); [28 C.F.R. pt. 54](#)
- VI. **The Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968**, as amended, prohibits discrimination on the basis of race, color, national origin, sex, or religion in both employment and the delivery of services or benefits by a recipient of federal financial assistance under the Safe Streets Act. [34 U.S.C. § 10228](#); [28 C.F.R. pt. 42, subpt. D.](#)
- VII. **The Juvenile Justice and Delinquency Prevention Act (JJDPA) of 1974**, as amended, adopts by reference the civil rights provisions of the Safe Streets Act. The JJDPA prohibits discrimination on the basis of race, color, national origin, sex, and religion in both employment and the delivery of services or benefits by recipients of federal financial assistance under the JJDPA. Recipients of funding under the Safe Streets Act and VOCA must also comply with the Equal Employment Opportunity Plan requirements of the Safe Streets Act. [34 U.S.C. § 10228](#) ; *see also* [28 C.F.R. pt. 42, subpt. E.](#)
- VIII. **The Victims of Crime Act (VOCA) of 1984**, as amended, prohibits discrimination on the basis of race, color, national origin, sex, religion, or disability in both employment and the delivery of services or benefits by recipients of federal financial assistance under VOCA. Recipients of

funding under the Safe Streets Act and VOCA must also comply with the Equal Employment Opportunity Plan requirements of the Safe Streets Act. [34 U.S.C. § 20110\(e\)](#)

- IX. **The Partnerships with Faith-Based and Other Neighborhood Organizations Regulation** of the U.S. Department of Justice (DOJ) prohibits faith-based organizations that receive DOJ financial assistance from using federal resources to advance inherently (or explicitly) religious activities such as worship, religious instruction, or proselytization and prohibits discrimination in federally-assisted social service programs based on religion in the delivery of services or benefits. [28 C.F.R. pt. 38](#); see also [Exec. Order No. 13,559, 75 Fed. Reg. 71,319 \(May 4, 2016\)](#) (Fundamental Principles and Policymaking Criteria for Partnerships with Faith-Based and Other Neighborhood Organizations); [Exec. Order No. 13,279, 67 Fed. Reg. 77,141 \(Dec. 12, 2002\)](#) (Equal Protection of the Laws for Faith-Based and Community Organizations).
- X. **The Violence Against Women Act (VAWA) of 1994, as amended**, prohibits discrimination in programs either funded under the statute or administered by the Office on Violence Against Women, both in employment and in the delivery of services or benefits, based on actual or perceived race, color, national origin, sex, religion, disability, sexual orientation, and gender identity) (referring to the Safe Streets Act for enforcement). [34 U.S.C. § 12291\(b\)\(13\)](#)

2. Prohibition Against Discrimination for Recipients of Federal Financial Assistance

- I. The federal civil rights laws that may apply to OCJP subrecipients collectively prohibit discrimination **in both employment and the delivery of services or benefits** based on race, color, national origin, sex, religion, or disability. The Age Discrimination Act of 1975 prohibits discrimination on the basis of age in the delivery of services or benefits. In addition to these, subrecipients of funds under the Violence Against Women Act of 1994, as amended, are prohibited from discriminating on the basis of gender identity or sexual orientation
- II. All subrecipients must have a written policy that prohibits discrimination in both employment and the delivery of services or benefits based on race, color, national origin, sex, religion, or disability, and establishes a civil rights complaint procedure. The policy of subrecipients of funding under the Violence Against Women Act of 1994 must also prohibit discrimination based on sexual orientation and gender identity.
- III. All subrecipient agencies must identify a compliance coordinator and a procedure for responding to discrimination complaints. Each agency must submit the name and contact information of the person responsible for reporting all civil rights complaints and findings to OCJP by completing the Certification of Regulations Compliance form as an attachment to its grant contract.
- IV. All subrecipient agencies must notify their employees, program participants, beneficiaries, and other interested persons that they do not discriminate based on race, color, national origin, sex, religion or disability. Additionally, if an agency is receiving funds under the Violence Against Women Act, they must notify their employees, program participants, beneficiaries, and other interested persons that they also do not discriminate based on gender identity and sexual orientation. To assist agencies in complying with this requirement see Appendix C. Agencies are required to post this or similar signage regarding Civil Rights compliance and procedures for filing a discrimination complaint.

- V. The recipient acknowledges that 34 U.S.C. § 12291(b)(13) prohibits recipients of OVW awards from excluding, denying benefits to, or discriminating against any person on the basis of actual or perceived race, color, religion, national origin, sex, gender identity, sexual orientation, or disability in any program or activity funded in whole or in part by OVW. Recipients may provide sex-segregated or sex-specific programming if doing so is necessary to the essential operations of the program, so long as the recipient provides comparable services to those who cannot be provided with the sex-segregated or sex-specific programming. The recipient agrees that it will comply with this provision. The recipient also agrees to ensure that any subrecipients ("subgrantees") at any tier will comply with this provision.

3. Discrimination Complaints

- I. All subrecipient agencies must have written procedures for responding to complaints alleging unlawful discrimination in employment and the delivery of services or benefits on the basis of race, color, religion, national origin, age, sex, disability. Additionally, if the agency is a subrecipient of funds under the Violence Against Women Act of 1994, as amended, these written procedures must also address complaints of discrimination on the basis of sexual orientation or gender identity. The agency policy may provide for discrimination complaints to be forwarded to the F & A Civil Rights Coordinator. Instructions for filing a complaint of discrimination in employment and delivery of services directly with the Department of Finance and Administration are on the [OCJP website](#).
- II. Agencies or individuals may file complaints of discrimination in employment and the delivery of services or benefits directly with the Tennessee Human Rights Commission (TNHRC) at <http://www.tn.gov/humanrights/> or by calling (615) 741-5825, Toll Free: 1-800-251-3589 or Spanish Toll Free Line: 1-866-856-1252.
- III. Agencies or individuals may file complaints of discrimination in employment and the delivery of services or benefits directly with the U.S. Department of Justice, Office of Justice Programs, Office for Civil Rights (OCR). Instructions for filing a complaint may be found on the OCR website at <https://www.ojp.gov/about/ocr/complaint.htm>.
- IV. Agencies should have policies prohibiting discrimination related to employment and procedures for filing complaints. Complaints related to employment may be filed with the Tennessee Human Rights Commission (TNHRC) at <http://www.tn.gov/humanrights/> or with the Equal Employment Opportunity Commission at <https://www.eeoc.gov/employees/charge.cfm>.

4. Obligation to Report Discrimination Complaints and Findings

- I. In the event of an allegation of civil rights discrimination, including those related to employment, OCJP subrecipients must immediately notify the [OCJP Civil Rights Coordinator](#) by completing the Civil Rights Complaint Notification form (See [Appendix P: Discrimination Complaint Notification](#)) within forty-five (45) days. Subrecipients must report, in writing, the status of any on-going investigations to OCJP. A subrecipient may request exemption or modification of Appendix P by submitting a written request to the [OCJP Civil Rights Coordinator](#).

- II. In the event a federal or state court or a federal or state administrative agency makes an adverse finding of discrimination against a subrecipient agency, after a due-process hearing, on the basis of race, color, national origin, religion, or sex, the subrecipient agency must send a copy of the finding to OCJP within forty-five (45) days.

5. Maintenance of Civil Rights Information

For OCJP staff to determine whether the subrecipient agency is complying with applicable civil rights laws, the subrecipient must maintain required civil rights statistics on race, national origin, sex, age, and disability for all clients served. Agencies must permit the OCJP staff reasonable access to the books, documents, papers, and records.

6. Language-Access Services for Beneficiaries with Limited English Proficiency

Each subrecipient agency should have a plan to assist clients with limited English proficiency (LEP). LEP persons are individuals who do not speak English as their primary language and have a limited ability to read, speak, write, or understand English. Title VI of the Civil Rights Act of 1964, as well as DOJ program statutes, requires subrecipients to take reasonable steps to ensure that LEP persons have meaningful access to their programs and activities. Providing meaningful access will generally involve some combination of oral interpretation services and written translation of vital documents. Meaningful access may entail providing language assistance services, including telephone interpreter lines, bilingual staff and volunteers, oral interpretation services, and written language services. Subrecipient agencies should evaluate their current practices in providing language-access services to LEP beneficiaries, including the following:

- Determine the size and linguistic demographics of the LEP service population;
- Collect data on the frequency of contacts with LEP beneficiaries;
- Identify the most significant services or benefits that will require language-access services;
- Assess the resources that are available both inside and outside the agency for providing language-access services;
- Make an inventory of existing written materials, especially vital documents, that need to be available to beneficiaries in translation;
- Establish quality-control measures to ensure the linguistic competency of interpreters and translators;
- Develop a language-access plan consistent with federal guidelines; and

Train staff members in public-contact positions on the legal obligation to provide appropriate language-access services to LEP beneficiaries.

For information on providing services to LEP persons and for detailed agency-specific guidance on language-access services, see www.LEP.gov.

7. Faith-Based Organizations

As a condition for receiving financial assistance from DOJ, OCJP subrecipient agencies agree to comply with the DOJ regulation now entitled, "[Partnerships with Faith-Based and Other Neighborhood Organization](#)", [28 C.F.R. pt. 38](#). This regulation states that DOJ financial assistance may not support inherently (or explicitly) religious activities, such as worship, religious instruction, or proselytization. In addition, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Faith-based subrecipients may still engage in inherently (or explicitly) religious activities, but the activities must be separate either in time or in place from the federally funded program *and* any participation in the inherently religious activities by program beneficiaries must be voluntary. Under federal law, all subrecipients, including faith-based organizations, must not discriminate in the provision of grant-funded services on the basis of a participant's religious practice or belief, or the lack of them. Contrary to the general rule under federal law that prohibits employment discrimination based on religion, funded faith-based organizations may, in some circumstances, take religion into account in making hiring decisions. Subrecipient faith-based organizations that have employment policies favoring co-religionists see the [OJP website](#) or contact their [OCJP program manager](#) for additional information.

8. Civil Rights Compliance Training

All recipients of federal financial assistance are subject to the provisions of the laws and regulations listed above, which prohibit discrimination based on race, color, national origin, age, sex, or disability. And if the agency receives funds under the Violence Against Women Act of 1994, as amended, sexual orientation or gender identity. Regulations governing Civil Rights compliance require that all OCJP subrecipients provide **annual Civil Rights** training for all employees.

To improve compliance with Civil Rights laws, OCJP requires that all grant Project Directors and the Civil Rights Compliance Officers provide evidence of having completed [Civil Rights training](#) provided on the OCJP website annually. All new Project Directors must complete the training program within ninety (90) days of their start date. **At the end of the online quiz, Project Directors should retain verification of completion in the grant file. The Project Director and the Civil Rights Compliance Officer should complete this training annually.** Verification of the training must be retained in the personnel files.

To be in compliance with OCJP's training requirement on Civil Rights, subrecipient agencies must train other staff members by using the training program on OCJP's website or another training program that includes information on Civil Rights compliance. Although staff members other than the Project Directors may complete the online quiz at the end of OCJP's training program, they are not required to do so. Project Directors are responsible for maintaining documentation showing that staff members completed the required Civil Rights training **annually**.

The Civil Rights Compliance Training Presentation and Quiz is available [here](#).

Civil Rights training : the OCJP grant **Project Director and Civil Rights Compliance Officer** are required to access the training and quiz at this [link](#) annually. They are then responsible to use this or other training materials for the rest of the agency staff. In addition to this if applicable, the Office for Violence Against Women's website has [videos](#) on Faith-Based Organizations and the Violence Against Women Act for recipients and subrecipients of federal financial assistance.



APPENDICES

- A [OCJP Fact Sheet](#)
- B [Glossary of Frequently Used Terms](#)
- C [Civil Rights Poster](#)
- D [Tennessee Travel Regulations](#)
- E [Professional Services Contracting Requirements](#)
- F [Subcontract Monitoring Form](#)
- G [Automated Clearing House Form \(ACH\)](#)
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- I [OCJP Invoice for Reimbursement Instructions & Forms](#)
- J RESERVED
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- V [TN Transitional Housing Guidelines](#)
- W [IDCR Checklist](#)