

A D M I N I S T R A T I V E M A N U A L

ENFORCING THE UNDERAGE DRINKING LAWS GRANT PROGRAM

June 1, 2010

**Joe Manchin III
Governor**

DIVISION OF JUSTICE AND COMMUNITY SERVICES

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PREFACE

This manual provides procedures for the administration of the Enforcing the Underage Drinking Laws grant funds awarded. It is applicable to all grants approved by the Governor after June 1, 2010. When revisions and corrections are deemed necessary, appropriately changed pages will be issued to grantees.

Sample application, reporting, and other forms and schedules are provided in this manual. These are for demonstration and information purposes only. Actual forms will be provided from the Division of Justice and Community Services.

The staff of the Division of Justice and Community Services will be pleased to discuss any questions which are not adequately covered in this manual and will be receptive to recommendations that might make the administration of grant funds easier and more efficient. For further information, clarification, materials, or submissions of ideas, please contact:

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GLOSSARY OF TERMS

Construction -- Acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities. It includes architects' fees but not the cost of acquisition of land for buildings.

Division of Justice and Community Services (DJCS) -- A division of Military Affairs and Public Safety.

Equipment -- Any one item that cost \$5,000 or more is considered equipment for purposes of this grant program.

Expended Funds -- Funds which have been transmitted for the receipt of goods or services.

Governor's Committee on Crime, Delinquency and Correction (GCCDC) -- Group designated by the Governor to serve as his advisory body for the administration of Juvenile Justice and Delinquency Prevention grant funds. (Same as Governor's Committee.)

Grant -- A contractual agreement between the Grantor and the Grantee whereby the Grantor provides funds to the Grantee to carry out specified programs, services or activities for the treatment and prevention of juvenile delinquency.

Grantee -- Any unit of state or local government or local non-private agency awarded funds.

Grantor -- The Division of Justice and Community Services which serves as staff to the Governor's Committee on Crime, Delinquency and Correction.

Planning & Evaluation Team -- Group of individuals representing a variety of agencies and the private sector that are critical in assisting in the successful implementation of the grant project, such as law enforcement, school personnel, DHHR, mental health centers, probation, judges, prosecutors, magistrates, juvenile detention facilities, youth service agencies, and parents.

Juvenile Justice Subcommittee -- Subcommittee of the Governor's Committee on Crime, Delinquency and Correction which serves as the Governor's advisory group concerning the Juvenile Justice and Delinquency Prevention Program.

Obligated Funds -- Funds for which a definite commitment is made for a legal liability incurred to pay determinable sums for services or goods furnished or to be furnished.

Office of Juvenile Justice and Delinquency Prevention (OJJDP) -- Office of the United States Department of Justice responsible for the administration of funds appropriated under the JJDP Act.

Personal Property -- Property of any kind except real property. It may be tangible (having physical existence) or intangible (having no physical existence, such as patents, inventions, and copyrights).

Project Costs -- All necessary charges made by a grantee to accomplish the objectives of a project during the grant period.

Project Income -- Gross income earned by grant supported activities.

State Advisory Group (SAG) -- (same as the Juvenile Justice Subcommittee) – Subcommittee of the Governor’s Committee on Crime, Delinquency and Correction which serves as the Governor’s advisory group concerning the Juvenile Justice Delinquency Prevention Program.

Chapter 1

GENERAL INFORMATION

A. Background

The Enforcing the Underage Drinking Laws (EUDL) Grant Program was appropriated under Public Law 105-119 for the fiscal year 1998 to enforce State laws prohibiting the sale of alcoholic beverages to minors and prevent the purchase or consumption of alcoholic beverages to minors. **A copy of the Public Law 105-119 is found in Appendix A.**

B. Award of Federal Enforcing The Underage Drinking Funds

The U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention awards funds appropriated by Congress to a designated agency from each eligible state. Each state submits a plan for carrying out the objectives of the EUDL Grant Program. The Division of Justice and Community Services (DJCS) has been designated by the Governor as the state agency responsible for the administration of the EUDL Grant Program in West Virginia.

C. Administration of Enforcing The Underage Drinking Funds

DJCS serves as professional staff for the Governor's Committee on Crime, Delinquency and Correction. This staff advises, provides information, technical assistance, recommendations, and assists with other administrative matters.

Chapter 2

APPLICATION PROCESS

A. General

Applications for federal funds are initiated by completing an EUDL grant application and submitting it to DJCS.

The intent of grant funds is to provide seed money for starting new programs throughout the state. All grantees must reapply on an annual basis through a competitive request for proposal process. There is no guarantee that a project will receive funding for any additional years.

The standard grant application form must be used for all requests. Copies of this form are available from DJCS. Contact with the staff should be maintained during the preparation of the grant application. **A copy of the standard grant application instructions is found in Appendix B. A copy of the standard grant application form is found in Appendix C.**

B. Eligible Agencies

Only units of state and local government are eligible to receive EUDL funding. For the purposes of this program, a unit of local government is a town or township, village, city, or county that carries out substantial governmental duties and powers.

C. Ineligible Applicants

Private, For-Profit and Non-Profit Agencies are ineligible to receive EUDL funding. Private agencies are encouraged to be a part of the grant project, but are not intended to serve as the fiscal or applicant agency.

D. Funding Categories

Applications from eligible agencies will be accepted for any of the following categories:

I. Category 1 - Comprehensive Programs:

- Prevention Advertising and/or Education – Programs that collaborate with local law enforcement, education and community groups to develop a small advertising campaign in the community.
- Compliance Checks – Programs that arrest or fine retailers and those contributing to delinquency of minors to identify minors purchasing or attempting to purchase alcohol.
- Intervention, Diversion, & Education on Underage Drinking – Programs that identify youth attempting to purchase alcohol, provide education to those youth and require community service for the offense as well as a referral process to appropriate treatment resources when necessary.

II. Category 2 - Community Awareness and Enforcement Programs:

- Prevention Advertising and/or Education – Programs that collaborate with local law enforcement, education and community groups to develop a small advertising campaign in the community.
- Compliance Checks – Programs that arrest or fine retailers and those contributing to delinquency of minors to identify minors purchasing or attempting to purchase alcohol.

III. Category 3 - Statewide Prevention Advertising / Enforcement Program:

- Statewide Prevention Advertising and/or Education.
- Statewide Enforcement

If applying under Category I or II, all bulleted items must be met, in order to be eligible.

E. Program Standards

Applications submitted by units of state and local governments shall attach to the standard application:

- a. Organizational Budget: EUDL grant funds are distributed on a reimbursement basis only. The organizational budget will help in determining if sufficient resources are available for the applicant to operate in this manner.
- b. Membership List of Governing Board: List the address and telephone number for each member of the grantee governing board. Examples of governing boards include county commission and city councils.
- c. Commitment Letters: The Juvenile Justice Subcommittee requires that in order to receive EUDL grant funds the grantee must form a 3 – 5 member interagency planning and evaluation team. A letter from each member that acknowledges their roles and responsibilities must be submitted.
- d. Letters of Working Agreement: Instead of letters of support, please submit working letters of agreement from key agencies to demonstrate interagency linking in providing services to youth and community support of the project. These letters must clearly specify each party's responsibility to the program.

F. Application Process

The application process consists of the following steps:

1. Applications will be promptly acknowledged upon receipt and reviewed for completeness. Applicants will be contacted if omissions appear and will be given 10 working days to complete and submit the missing documentation. NOTE: Late applications and applications that do not meet a documented extended 10-day deadline for completeness will not be forwarded to the Juvenile Justice Subcommittee for funding consideration.
2. Staff will assess the merit and overall need of the project as well as evaluate how the specific project will satisfy the state goals and objectives. Comments will be attached and the application will be forwarded to the Juvenile Justice Subcommittee for consideration. The Subcommittee will evaluate the merit of the application based on, but not limited to, the following criteria:

- a) Compliance of the proposed project application with the priority programs described in the state plan.
 - b) Compliance with federal and state program guidelines and special conditions and assurances of the grant program.
 - c) The eventual assumption of costs by the applicant agency (Plan of Sustainability).
 - d) Measurability and appropriateness of the stated goals and objectives.
 - e) Probability that the grant will achieve its objective(s).
 - f) Adequate fiscal responsibility and resources.
 - g) Reasonableness of the proposed budget, clearly itemized budget, and total source of funding for the project.
 - h) Certification that federal funds will not be used to supplant or replace state or local funds.
 - i) Need for the project. The statement of need or problem statement is clearly identified and substantiated by research and statistics.
 - j) Geographic area(s) to be served.
 - k) Demonstrate a well developed Planning and Evaluation Team.
 - l) Demonstrate community awareness and support. A documented interagency linkage and collaboration with community programs such as referral agreements, letter of working agreements, and/or support letters.
 - m) Detailed project implementation plan and schedule.
 - n) Adequacy of evaluation strategy to determine the success of the project
3. Representation of the applicant agency will be required to present or be available for a conference call at the Juvenile Justice Subcommittee grant review to make a brief presentation and/or answer any question regarding the proposal. Applicants will be informed of the scheduled time and place of the meeting. Representatives must be someone who will be directly involved with the implementation of the program and is familiar with the current grant application being reviewed.

4. The Juvenile Justice Subcommittee will make one of the following recommendations to the Governor's Committee on Crime, Delinquency and Correction. The Governor's Committee will make one of the following recommendations to the Governor:
 - a) Approve the application.
 - b) Approve with conditions or minor amendments to the application.
 - c) Return for revision. The required revision will be appended to the application.
 - d) Denial.

Applicants should note that the authority to make grant awards is vested only by the Governor. Staff recommendations are advisory only and should not be considered as indicative of final action by the Governor.

G. Award

After the Governor issues award letters, DJCS will send contract agreements to all programs receiving a grant award for the current Fiscal Year. The contract agreement document must be signed by the Authorized Official of the grant and returned to DJCS for review and final approval. Grants officially begin on June 1 each year; however, reimbursement requests will not be processed until all required documentation is signed and returned to DJCS.

Each approved project not operational within 60 days of the approved starting date of the grant period must report by letter to DJCS the steps taken to initiate the project, the reasons for delay, and the expected starting date.

If a project is not operational within 90 days of the original starting date of the grant period, the grantee must submit a second statement to DJCS explaining the implementation delay. Upon receipt of the 90-day letter, DJCS may cancel the project and redistribute the funds to other project areas or under extenuating circumstances, extend the project period.

Chapter 3

MATCHING FUNDS REQUIREMENT

A. General

Beginning with FY 2010 applications, programs will be required to assume a greater local level of fiscal responsibility and promote increased local participation. Funded projects must receive financial support from sources other than EUDL funding (or any other Federal funding source). The purpose of matching funds is to augment the amount of resources available to the project from grant funds and to foster the dedication of state, local and community resources to the purposes of the project. Providing matching funds demonstrates collaboration and a commitment to the sustainability of the project, which is one of the major components used by staff and the Subcommittee in assessing merit of the project.

Note: Each agency requesting funds must meet their own match.

The matching requirements are as follows:

- 1st year – 10% match (5% - in-kind and 5% - cash)
- 2nd year – 15% match (5% - in-kind and 10% - cash)
- 3rd year – 20% match (10% - in-kind and 10% - cash)
- 4th year – 25% match (10% - in-kind and 15% - cash)
- 5th year and beyond – 30% match (15% - in-kind and 15% - cash)

NOTE: The total match required can be met with all cash contributions, or a combination of cash and in-kind contributions. If using in-kind contributions, it cannot exceed the breakdown listed above.

B. Calculating Matching Funds

For 1st year applicants, the method for calculating the appropriate match for individual EUDL grants is as follows:

Step 1: Amount of Grant Requested Funds ÷ .9 = Total Project Amount

Step 2: Total Project Amount – Grant Requested Funds = Match Amount

NOTE: When calculating match for additional years, please use the following:

For year 2 - divide by .85; for year 3 - divide by .80; for year 4 - divide by .75; for year 5 and beyond – divide by .70.

C. Expending Matching Funds

The grantee matching share must be expended in the same manner and proportion as budgeted in the Proposal application. The grantee share must also be expended in the same time concurrence (grant period) as the federal funds are expended.

D. Records of Matching Funds

Since the requirement for grantee matching funds is mandatory, accurate records must be maintained and show the amount and timing of these contributions. These records are subject to audit in the same manner and to the same extent as books and records dealing with the receipt and expenditure of CAC funds.

E. Reporting Match

Documentation of matching contributions should be submitted on a monthly basis, but must be submitted at least on a quarterly basis. Failure to do so will result in delay of payment of the monthly requests for reimbursement.

Chapter 4

ALLOWABILITY OF COSTS

A. General

The purpose of this chapter is to set forth the cost allowability rules and principles. These rules and principles for determining allowable costs apply to all grants awarded. They are intended to provide a basis for a uniform approach to the problem of determining costs under projects supported with federal funds. Please be aware of the following **Office of Management and Budget Circulars**: Cost Principles for State and Local Governments (A-87), Grants and Cooperative Agreements with State and Local Governments (A-102), and Audits of States, Local Governments, and Non-Profit Organizations (A-133). A complete copy for each can be found at:

http://www.whitehouse.gov/omb/circulars_index-slg/

B. Basic Principles

The basic guide in determining allowability of costs will be the extent to which these costs contribute to the purposes and execution of federal assisted programs. It will be assumed that:

1. Applicant agencies will each bear their appropriate share of allocated costs as allowable under federal, state, and local law or regulation.
2. DJCS and its grantees have the primary responsibility for employing whatever form of organization and management techniques as are necessary to assure proper and efficient fiscal administration and cost allocation, including accounting, budgeting, reporting, auditing, and other review controls.
3. Costs pertinent to carrying out unrelated functions (i.e., unrelated to programs receiving grant support) are not allowable and there can be no recognition of "profit" or increment above true cost in executing grants.

*In general, projects costs are "all necessary charges made by a grantee to accomplish the objectives of a project during the grant period."

C. Unallowable Costs

The following categorical guide can be used as an aid in determining unallowable costs:

- Activities outside the purposes and activities specifically covered by the approved program description and project budget.
- Fundraising Activities
- Indirect Organizational Costs
- Bad Debts
- Contingencies
- Contributions or donations
- Entertainment
- Fines and penalties
- Lobbying
- Interest and other financial costs
- Prior obligations
- Legislative expenses
- Under-recovery of costs under grant agreements
- Land or buildings
- Space

D. Costs Requiring Prior Approval

- Out-of-State Travel
- Training Expenses
- Consultant Awards/Fees
- Contract Awards/Fees
- Equipment Purchases
- Any expenses not specifically covered by the approved program description and grant budget.

Chapter 5

GRANTEE REPORTING

A. General

Grantees are required to constantly monitor performance under grant-supported activities to assure that time schedules are being met, projected work units by time period are being accomplished, and other performance goals are being achieved.

B. Types of Reports

Grantees are required to prepare and submit progress and financial reports regarding the grant project. These reports are to be prepared and submitted on a monthly basis. They are due at the DJCS office no later than 20 days following the close of the reporting month. Example: If the reporting period is the month of September, (9/1/10 - 9/30/10), the report is due October 20th.

The grantee will also be required to submit the following Evaluation Reports throughout the grant period: (4) Quarterly Evaluation Reports, (2) Performance Measurement Reports, and (1) Final Report.

Monthly Financial Reporting Forms (a copy can be found in appendix D)

1. **Project Financial Report** -- This report indicates the approved budget, the amount expended during the reporting period, and the amount expended to date. Budget line item categories are to be detailed. Attach copies of invoices, as well as, proof of payment, to verify expenditures.
2. **Request for Reimbursement** -- A copy of this form is to be submitted monthly with the Project Financial Report for the purpose of DJCS issuing a reimbursement check. The total requested should agree with amounts listed on the Project Financial Report. The Request for Reimbursement must be signed with an **original** signature by the "**Authorized Official**" or the "**Fiscal Officer**", as identified on the grant contract, in order for payment to be processed. Blue ink is recommended for the signature.
3. **Financial Recap Page** – A copy of this form is to be submitted monthly with the Project Financial Report and the Request for Reimbursement.

This form supplies a breakdown of specific items and funds being requested for reimbursement. Matching funds should be listed as well.

Monthly Progress Reporting Forms (a copy is can be found in Appendix E)

4. **Funded Staff's Report (EUDL Coordinators)** – To be filled out by all personnel/contractual positions that are funded with EUDL grant funds. Summarize the activities of the project, for the month. Include activities, events and meetings. It is recommended that you keep a journal and calendar to be viewed by the compliance monitor on the site visit. ***If funds are only used to pay overtime for officer's to conduct compliance checks, this form is not required.**
5. **Project Director's Report** – To be completed by the Project Director. This report should summarize the status of the grants goals and objectives and note any additional administrative problems, concerns or comments they would like to bring to the attention of DJCS. ***If the Project Director is a funded staff position, or if funds are being used to pay overtime for officer's to conduct compliance checks, the project director will only need to complete this form.**
6. **Attendance Report** -- This form will allow for you to keep a list of all juveniles enrolled in the project. *This sheet will only be needed if a grantee has indicated they will be providing a Diversion program. Directions for filling out the form:

Indicate the youth participating in the grant activities for the month. Please note the full name of the youth does not need to appear on the report; however, an identifying number, first name or initials should be used. In determining the family income level, you may reflect free or reduced school lunch if that information is available. If there are several different types of activities, either attendance reports can be completed for each activity or one report can be submitted coding the type of activity, such as for group sessions, individual counseling, sessions with parents, etc. The attendance report should also indicate why the youth were referred to the program, by placing a code beside the participant identification number or initials, such as I for incorrigibility, T for truancy, P for probation with an offense code, B for behavioral problems, etc.
7. **Demographic Report** -- This form is a summary of the number of youth participating in the project that affect the designated categories. Some youth may appear in more than one high risk group. Complete and submit monthly.

Evaluation Reports (copies can be found in Appendix F, G, and H)

8. **Quarterly Evaluation Team Reports** – This form is required of all projects and is due within 20 days of the end of each quarter. For example the first quarterly evaluation report would cover June 1 through August 31 and would be due on September 20. This report is to be filled out by the Planning and Evaluation Team (P&E Team) and should provide a specific description of the methods used to determine the effectiveness of the program. Those methods should include: reviewing the status of accomplishing goals and objectives; identifying any barriers or problems and strategies for resolving or minimizing any problems; and reviewing data collected and grant record keeping such as client files, and monthly progress reports. Attached to the report – signatures of the P&E team members that completed the form and minutes of the meeting. **Financial Reports will be held until Quarterly Reports have been submitted.**
9. **Performance Measurement Reports** -- this form should be completed by the project director on a semi-annual basis (due January 15th and July 15th). This report covers program categories of coalitions, media, and enforcement that were implemented during the reporting period. *Due to federal reporting requirements the month of June will be reported separately for all EUDL grant programs.
10. **Final Report** -- This form is required of all completed projects, and is due within 20 days following the close of the project or any approved extension thereof. This report is to be filled out by the project director and should provide a summary of the major achievements and results obtained during the project period. A detailed listing of all equipment purchased must accompany the final report.

Chapter 6

ACCOUNTING BOOKS AND RECORDS

A. General

Grantees must maintain accounting records in accordance with generally accepted accounting procedures which will insure that federal and grantee matching funds are accounted for adequately. The minimum requirements for such records are explained below.

B. Minimum Requirements

In addition to complying with its regular accounting procedure, the grantee must keep special accounting records which will accomplish the following:

1. Account for the receipt of federal funds approved for each grant project.
2. Account for the expenditure of federal and grantee funds approved for each grant project by the broad budget categories set forth below:
 - a. **Personnel/Contractual:** Salaries, employee benefits, and contracts for hiring of consultants. Consultant services require advance DJCS approval. A copy of all job descriptions and resumes and contractual agreements must be on file at DJCS prior to any reimbursement for expenses for those staff, consultant, and/or contractual services.
 - b. **Travel/Training:** Lodging, transportation, registration fees, and subsistence expenses for project personnel. Training projects require advance DJCS approval. Expenses may not exceed ceiling established by West Virginia state travel regulations. Approval from DJCS will require a written request letter that provides information on the raining event (agenda or brochure) and a specific breakdown of expenses to be covered.
 - c. **Equipment:** Physical property costing over \$5,000 per unit and estimated to last one year or more. **NOTE:** Installation charges are included as part of the cost of the equipment.

- d. **Other:** Allowable expenses not otherwise classified. Please note that all equipment purchases under \$5,000 are allocated to this category.

C. Documentation

Adequate documentation for all project costs must be maintained. Such documentation must be retained and available for audit purposes for the period of time specified in Chapter 9. Adequate documentation is defined as follows, for each major budget category:

1. **Personnel/Contractual:** Documentation includes daily time and attendance records signed by each project employee and the employees' supervisor. Additional documentation includes payroll records which indicate payroll period, payment rate, hours per day, and other related information. Contractual services require documentation by way of the consultant agreement and statement from the consultant indicating time period, payment rate, hours per day, signature of consultant and approval of project director. **(Appendix I – Sample Timesheet).**
 - a. Regardless of the pay period time frames, pay stubs submitted each month must cover the entire month.
 - b. Regardless of the pay period time frames, timesheets submitted must cover the entire month.
 - c. Hours worked outside of the grant period will not be covered. (Example: Three (3) days worked at the end of May will not be paid under the June report if the new grant began on June 1).
 - d. The benefit rates must be included on the monthly recap sheets submitted with the monthly reports and paystubs must be submitted showing employee deductions.
2. **Travel:** Documentation includes detailed expense vouchers, signed by the employees and approved by the employees' supervisor. **(Appendix J – Travel Expense Sheet).**
 - a. Receipts are required for all lodging, car rental, ground transportation (such as taxi and shuttle service).
 - b. Lodging expenses reimbursed by the grant are limited to the state travel regulations and per diem rates unless you can provide in

writing justification that the conference is in the same hotel and that the hotel is giving a conference rate.

- c. Baggage expenses at hotels are not allowable for reimbursement under the grants.
 - d. Gratuity amounts are included in the per diem rates for food expenses; therefore, additional gratuities in excess of the per diem rate will not be allowed for reimbursement under the grant.
 - e. Gratuity amounts up to 15% is allowed for taxi and shuttle services, but must be indicated on the receipt.
3. **Training:** Documentation includes detailed expense vouchers, receipts from the training organization, and brochures, etc. from training. Documentation when your organization provides training for other participants includes consultant agreement and copies of the actual receipts for other expenses.
4. **Equipment:** Documentation for "equipment" includes purchase orders, audited vendor invoices approved by the project director, and copies of checks issued for payment. An Office and Computer Equipment Listing Form must be completed for all purchases regardless of the amount. **(Appendix K - Equipment Listing Form).**
5. **Other:** Documentation for "other" includes purchase orders, audited vendor invoices approved by the project director, and copies of checks issued for payment.

D. Technical Assistance

A determination of the adequacy of the grantee's accounting records can be made by the staff of DJCS. Technical assistance will be provided if necessary.

Chapter 7

GENERAL FISCAL AND ADMINISTRATIVE REQUIREMENTS

A. Budget Deviations

Deviations (increases or decreases) from the submitted cost estimates of each budget category require prior written approval from DJCS. However, in no event, may the grantee charge to the grant amounts in excess of the approved federal funding.

B. Written Approval of Changes

Grantee must obtain prior, written approval from DJCS for all project changes. These include, but are not limited to:

- (1) changes in substance and project activities, design, or research plans set forth in the approved application (**Appendix L – Sample Travel/Training Request**);
- (2) changes in the project director, fiscal officer, authorized official, grant funded staff, or other key professional personnel;
- (3) changes in the project budget (**Appendix M – Sample Budget Adjustment Request**);

***No more than 3 budget adjustment will be allotted during the grant period.**

- (4) changes in the length of the project period (**Appendix N - Sample Time Extension Request**).

Please note: A written grant adjustment notice (GAN) must be issued by DJCS for any changes to be valid. **Refer to Appendix O for an example of a GAN form.**

C. Obligation of Funds

Project funds (federal and grantee) may not be obligated prior to the effective date or subsequent to the closing or termination date of the project period. Obligations outstanding as of the closing or termination date shall be liquidated within 30 days. Such obligations must be related to goods or services provided within the project period.

Unexpended grant funds will be deobligated after a grant has ended. If a grantee determines that there will be unexpended grant funds prior to the end of the grant period, those funds will be deobligated. That will allow those funds to be re-awarded to another project.

D. Time Extensions

If adequate justification is provided, DJCS does occasionally approve time extensions. A situation where an extension might be approved would be if the grant project started later than originally planned due to **extenuating** circumstances. An extension would allow sufficient time for the grantee to fully expend the grant funds. Grantees must request approval from DJCS in writing. If after reviewing the individual circumstances, a time extension is justified, an adjustment notice will be forwarded to the grantee reflecting the approval of the change.

E. Travel Regulations and Rates

Project travel expense charges are to be determined in accordance with the State of West Virginia travel regulations and rates, unless the grantee's travel regulations are more restrictive, then its regulations will govern. A complete copy of the current State rates and regulations can be found at www.state.wv.us/admin/purchase/Travel.

A copy of the most current per diem rates can be found at http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC.

Meal allowance: Costs are **only** allowable for overnight stay travel. Please refer to the State of West Virginia Travel Regulations and nationwide per diem rates.

Motor Vehicle: Reimbursement for the use of employee's personal car in connection with grant business will be based on the State Government rate. Such reimbursement rate shall apply between the employee's headquarters and any designated location of work as approved by the

project director. There will be no reimbursement of expense for commuting purposes other than in cases where an employee has completed his work day and is called out to return to his headquarters.

Duplicate Reimbursement: Notwithstanding any provision of these rules and regulations to the contrary, no official or employee shall be permitted to receive reimbursement for any expenses incurred in instances in which such expenses have been paid or are to be paid by any person, firm, corporation, partnership, association or any other third party. No official or employee shall receive reimbursements for any expense incurred in instances in which such expenses have been paid or are to be paid by DJCS as part of registration fee.

Registration Fees: Registration fees for conferences and/or seminars must be supported by receipts and attached to the attendee's expense report. Lodging and/or food that is included in the registration should be indicated on the expense report. Additional reimbursement will not be made for lodging or food that is included in registration fees.

F. Record Retention

Records of the grantee and its contractors, including books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, canceled checks, and related documents and records must be retained for a period of at least three years. The retention period starts from the date of the submission of the final expenditure report or, for grants which are renewed annually from the date of the submission of the annual expenditure report. The three-year retention period is qualified as follows:

1. Records for nonexpendable property acquired with federal grant funds shall be retained for three years after its final disposition.
2. Records must be retained beyond the three-year period when an audit is in progress and/or the finding of a completed audit has not been resolved satisfactorily. If an audit is completed and the findings are resolved prior to the three-year period, records will be retained until the end of the three-year period. If the three-year period has passed and no audit has been initiated, the records will be retained in accordance with other federal, state, and local law. If state and local law requires a longer period of record retention, access to the records will be allowed for purposes of an audit.
3. DJCS may request transfer of certain records to its custody when it determines that the records possess long-term retention value.

G. Project Income

Project income is defined to be "gross income earned by grant supported activities." Regarding project income, the following general rules apply:

1. Royalties received from copyrights and patents during the grant period shall be retained by the grantee and, in accordance with the grant agreement, be either added to the funds already committed to the program or deducted from total project costs for the purpose of determining the net costs on which the state share of costs will be based. After termination or completion of the grant, the federal share of royalties in excess of \$200 received annually shall be returned to the grantor agency (through DJCS) in absence of other specific agreements between the grantor agency and the grantee. The federal shares of royalties shall be computed on the same ratio basis as the federal share of the total project cost.
2. All other program income earned during the grant period shall be retained by the grantee and, in accordance with the grant agreement, shall be:
 - a. Added to funds committed to the project by the grantor and grantee and be used to further eligible program objectives, or
 - b. Deducted from the total project costs for the purpose of determining the net costs on which the federal share of costs will be based.

H. Cash Depositories

Recipients of federal funds shall deposit these funds in state treasury or in a bank with FDIC coverage and be collaterally secure. Although DJCS does not require physical segregation of the establishment of any eligibility requirement for cash depositories, it does recommend (consistent with the national goal of expanding the opportunities for minority business enterprises) the use of minority banks.

I. Lobbying

All grants funded with U. S. Department of Justice funds, will contain in the grant contract a certification regarding lobbying. The certification will be signed by the authorized official of the grant indicating that no grant funds will be used to lobby, or if lobbying is engaged in by anyone associated with the grant, it will be done with non-federal funds. A Disclosure of Lobbying Activities form must be completed and submitted to DJCS in all instances of grantee lobbying with non-federal funds.

J. Supplanting

The U.S. Department of Justice requires that all grantees will use awarded Federal grant funds to supplement existing funds for program activities and not replace those funds which have been appropriated for the same purpose.

K. Stevens' Amendment

The US Department of Justice, Office of Juvenile Justice and Delinquency Prevention requires all grantees, when issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money, to clearly state:

1. The grant amount,
2. State involvement (name of state entity responsible for administering the grant.
3. Federal involvement (name of federal entity responsible for administering the grant.

Chapter 8

PURCHASING PROCEDURES

A. General

This section sets forth procedures for purchasing supplies, equipment, construction, and other services with EUDL grant funds. These procedures are furnished to insure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable law.

Grantees may use their own purchasing regulations and procedures which reflect applicable federal, state, and local laws provided that purchases made with grant funds adhere to the minimum requirements set forth below:

B. Minimum Requirements

1. All purchasing transactions, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition. The grantee should be alert to organizations conflicts of interest or non-competitive practices among contractors which may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work and/or RFPs for proposed procurement shall be excluded from bidding or submitting a proposal to complete for the award of such procurement. In this regard, requests for proposal or invitations for bid issued by the grantee to implement the grant project are to provide notice to prospective bidders that DJCS organizational conflict of interest provision is applicable in that contractors that develop or draft specifications, requirements, statements of work/or RFPs for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement.
2. Proposed purchases shall be reviewed by grantee officials to avoid purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical, practical procurement.
3. Invitations for bids or requests for proposals shall be based upon a clear and accurate description of the technical requirements for the material, produce, or service to be procured. Such description shall not, in

competitive procurements, contain features which unduly restrict competition. "Brand name or equal" description may be used as a means to define the performance or other salient requirements of procurement, and when so used the specific features of the named brand which must be met by offerers should be clearly specified.

4. Positive efforts shall be made by the grantees to utilize small business and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts to be performed utilizing grant funds.
5. The type of procuring instruments used (i.e., fixed price contracts, cost reimbursable contracts, purchase orders, incentive contract, etc.), shall be appropriate for the particular procurement and for promoting the best interest of the grant program involved. The "cost-plus-a-percentage of cost" method of contracting shall not be used.
6. Formal advertising, with adequate purchase description, sealed bids, and public openings shall be the required method of procurement unless negotiation pursuant to paragraph (7) below is necessary to accomplish sound procurement. However, procurement of \$4,999 or less need not be so advertised unless otherwise required by state or local law or regulations. Where such advertised bids are obtained the awards shall be made to the responsible bidder whose bid is responsive to the invitation and is most advantageous to the grantee price and other factors considered. (Factors such as discounts, transportation costs, taxes may be considered in determining the lowest bid.) Invitations for bids shall clearly set forth all requirements which the bidder must fulfill in order for his bid to be evaluated by the grantee. Any or all bids may be rejected when it is in the grantee's interest to do so, ad such rejections are in accordance with applicable state and local law, rules, and regulations.
7. Procurements may be negotiated if it is impracticable to use formal advertising. The term "negotiation" is used to describe all procurements from the private sector that are made by means other than public advertising procedures. Unlike public advertising, negotiation generally involves discussion and bargaining with a view to reaching agreement on the prices and other terms of a proposed contract. It may also be used to obtain an equitable adjustment for a unilateral, grantee-directed change in a contract provision, or to resolve a mutually acceptable amendment or supplement to an existing contract.

Contrary to a commonly held belief, negotiation is in no sense synonymous with non-competitive (sole source) procurement. Although the method of procuring on a non-competitive basis, the general use of negotiation is not intended to preclude competition. In those instances when a contemplated procurement appears to be necessarily non-

competitive, the grantee must not only assure that competition is not feasible, but also should take whatever actions are possible to foster competitive conditions for subsequent procurements of the same item. The objective of negotiation, as in public advertising, is to procure in the most effective manner and in the best interest of the grantee.

Public advertising is conducted in full public view, with the bid of each firm known to and examined by his competitors after bid opening. This is not true in competitive negotiation. Proposals submitted by competing firms in a negotiation are not disclosed to competitors or the public and subsequent negotiations on the basis of these proposals are conducted individually with each offerer. Only after the execution of a contract is the successful firm made known and the terms and conditions of the contract disclosed. In this way competitive pressure is maintained throughout negotiations. Generally, procurements may be negotiated by the grantee if:

- a. The public exigency (requiring immediate aid or action) will not permit the delay incident to advertising;
- b. The material or service to be procured is available from only one person or firm: (All contemplated sole source procurements where the aggregate expenditure is expected to exceed \$4,999 shall be referred to for prior approval.) Proposed formal advertised or competitive negotiated procurements for which only one bid or proposal is received is deemed to be, for purposes of this paragraph, a sole source procurement. An interagency contract where the work is performed by a state governmental agency, including a state university, does not require approval;
- c. The aggregate amount involved does not exceed \$4,999;
- d. The contract is for personal or professional services, or for any service to be rendered by a university, college, or other educational institutions;
- e. No acceptable bids have been received after formal advertising;
- f. The purchases are for highly perishable materials or medical supplies, for material or services where the prices are established by law, for technical items or equipment requiring standardization and interchangeability of parts with existing equipment, for experimental, developmental or research work, for supplies purchased for authorized resale, and for technical or specialized supplies requiring substantial initial investment for manufacture;
- g. Otherwise authorized by law, rules, or regulations.

Notwithstanding the existence of circumstances justifying negotiation, competition shall be obtained to the maximum extent practicable.

8. Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.
9. Procurement records or files for purchases in amount in excess of \$4,999 shall provide at least the following pertinent information: Justification for the use of negotiation in lieu of advertising, contractor selection, and the basis for the cost or price negotiated.
10. A system for contract administration shall be maintained to assure contractor conformance with terms, conditions, and specifications of the contract or order, and to assure adequate and timely follow-up of all purchases.

C. Contract Provisions

Grantee shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts entered into:

1. Contracts shall contain such contractual provision or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
2. All contracts, amounts for which are in excess of \$4,999, shall contain suitable provisions for termination by the grantee including the manner by which it will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
3. All contracts awarded by grantees shall include a provision to the effect that the grantee, the grantor agency, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts, and transcriptions.
4. Each contract of an amount in excess of \$4,999 awarded by a grantee shall provide that the recipient will comply with applicable regulations and standards of the Cost of Living Council in establishing wages and prices.

The provision shall advise the recipient that submission of a bid or offer or the submittal of an invoice or voucher for property, goods or services furnished under a contract or agreement with the grantee shall constitute a certification by him that amounts to be paid do not exceed maximum allowable levels authorized by the Cost of Living Council regulations or standards. Violations shall be reported to the DJCS and the local Internal Revenue Service field office.

D. Approval of Contracts

Prior to entering into any contract exceeding \$4,999 which will be paid in whole or in part with project funds, a copy of the proposed contract must be submitted to DJCS for review and approval. This is to assure that the above provisions have been included in the proposed contract. In addition, grantees must submit to DJCS the selection basis (i.e., competitive bids, competitive negotiations, or sole source procurement) used in awarding the proposed contract. Copies of bids, proposals, or other documentation which would support selection basis must also be provided.

E. Property Accountability

Subgrantees shall establish and administer a system to control, protection, preservation, use and maintenance, and proper disposal of any property or equipment provided by DJCS. This obligation continues as long as the property is retained by the subgrantee, notwithstanding the expiration or a contract agreement. Prior to sale, trade in, or disposal of property, disposition instructions will be obtained from DJCS. Grantee assures inventory checks will be performed annually or pursuant to guidance promulgated in the Administrative Manual for this program (if applicable), with copies provided to DJCS.

Chapter 9

AUDIT RESPONSIBILITIES

A. General

It is the responsibility of all recipients of these grants funds to provide for the performance of an independent audit in compliance with OMB A-133 Audit Requirements. The grant recipient further agrees to submit a copy of each audit conducted to DJCS along with a systematic method for timely and appropriate resolution of audit findings and recommendations. The required audits are to be on an organization-wide basis as opposed to a grant-by-grant basis. **Please refer to Chapter 4 for the Office of Management and Budget Circulars website.**

B. Audit Report

The audit reports must include:

1. The auditor's report on financial statements of the recipient organization, including identification of the various programs under which the organization received federal funds and the amount of the awards received.
2. The auditor's report on compliance containing:
 - (a) A statement of positive assurance with respect to those items tested for compliance, including compliance with law and regulations pertaining to financial reports and claims for advances and reimbursements;
 - (b) A negative assurance of those items not tested, and a summary of all instances of noncompliance; and
 - (c) The auditor's report on the study and evaluation of internal control systems, which must identify the organizations' significant internal accounting controls, and those controls designed to provide reasonable assurance that federal programs are being managed in compliance with applicable laws and regulations. It must also identify the controls that were evaluated, the controls that were not evaluated, and the material weaknesses identified as a result of that evaluation.

It is the responsibility of grantees to provide a copy of each audit to DJCS including a systematic method for the timely and appropriate resolution of findings or recommendations.

C. Audit Objectives

Grants and other agreements are awarded subject to conditions of fiscal program and general administration to which the recipient expressly agree. Accordingly, the audit objective is to review the recipient's administration of grant funds and required non-federal contributions for the purpose of determining whether the recipient has:

1. Financial statements of the government department, agency, or establishment that present fairly its financial position and the results of its financial operations in accordance with generally accepted accounting principles;
2. The organization has internal accounting and other control systems to provide reasonable assurance that it is managing federal financial assistance programs in compliance with applicable laws and regulations;
3. The organization has complied with laws and regulations that may have material affect on its financial statements and on each federal assistance program.

Chapter 10

MONITORING

A. General

DJCS staff will make at least one site visit to each grant program during the project period to monitor the performance of grant-supported activities. **A copy of the standard monitoring form is found in Appendix P.** Site visits will:

1. Determine progress made toward achieving project objectives;
2. Determine compliance with terms, conditions, and purpose of grant;
3. Identify technical assistance needs; and
4. Provide guidance of future design or funding of similar projects.

Chapter 11

PLANNING AND EVALUATION TEAM

A. General

The Juvenile Justice Subcommittee of the Governor's Committee on Crime, Delinquency and Correction **requires** each EUDL Grant program to form an interagency Planning and Evaluation Team. The purpose of the Team is to strengthen the interagency linkages and maintain a coordination of interagency efforts in providing services to youth. Technical assistance is available from the staff of DJCS.

B. Team Components

1. Each team will consist of three to five members.
2. Members will represent a variety of agencies and the private sector, such as law enforcement, school personnel, Department of Health and Human Resources, mental health centers, probation, judges, prosecutors, magistrates, juvenile detention centers, youth service agencies, and parents.
3. The grant project director and EUDL-funded staff do not serve as members of the Team, but should attend all Team meetings.
4. Only one member of the grantee's governing board may serve as a Team member; however the member may not serve as the Chair.
5. No member of the Juvenile Justice Subcommittee, that serves as an advisory group to the Governor for the EUDL Program, should be on the team.

C. Evaluation Objectives

During the project period, each grant program is required to evaluate the grant supported project. Essential elements of the ongoing evaluation include:

1. Itemization of the service delivery provided to the youth.

2. Determination of the effectiveness of the programs for the participants.
3. Documentation that the program objectives were met through reliable data collection.

D. Final Evaluation

The evaluation process will provide information for the program planners and implementers for the continued funding of the project. The Final Quarterly Evaluation Report should include at a minimum:

1. Identification of goals and the desired outcome.
2. A process assessment; what actually took place, how often, and who participated.
3. An outcome assessment; documentation of results of the program and the immediate changes occurred.
4. An impact assessment; an examination of the broader impact of the program and its long-term effects.