U.S. Department of Justicei
Office of Community Oriented Policing Servicesi

COPS Manuals

Community Oriented Policing Services

www.usdoj.gov/cops/s

Methamphetamine Initiative Grant Owner's Manual

A step-by-step guide
to assist law enforcement agencies
in carrying out and reporting on
their Methamphetetamine Initiative grant

Methamphetamine Initiative Grant Owner's Manual

A step-by-step guide
to assist law enforcement agencies
in carrying out and reporting on
their Methamphetetamine Initiative grant

Contents

Getting Started iv

Glossary of Terms vi

I. Grant Acceptance, Terms, and Conditions 3
- The Award Page
- What is a Modified Award?
- Grant Conditions
  - Reasons for grant conditions
  - Review of grant conditions

II. Procurement Process 19
- Justification for Non-Competitive Procurement

III. Accessing Grant Funds.....23
- Can we receive advances?
- How often do we request reimbursement of costs?
- Can we earn interest on our grant funds?
- Payment Methods
- How does LOCES work?
- What are the benfits of LOCES?

IV. Financial Record Maintenance 29
- Accounting Systems
- What items should be kept?
- How long should documents be kept?
- What if we have more than one grant?
- Who may access our records?

V. Matching Funds.....33

VI. Federal Audit Requirements 37
- Audit Requirements
- What is an organization-wide financial and compliance audit?
- What is the purpose of an audit?
- What are the audit reporting requirements?
- What is the due date of audit reports?
- Where are the reports to be submitted?
- What if there are problems with our audit report?
- How are audit requirements monitored?
- How can our agency receive technical assistance with audit requirements?
- What are the consequences of not complying with audit requirements?

VII. Reports **43**
Program Progress Reports
How often will progress reports be submitted?
What kind of information will these reports require?
How and when will these forms be sent?
Financial Status Reports
How will the financial aspects of our grant be monitored?
Financial status reports under PAPRS
Financial status reports under LOCES
Cash Reconciliation Reports
Reporting Violations (Fraud, Waste, and Abuse)

VIII. When The Grant Period Ends **47**
"Closing Out" Your Grant
When should all of the grant monies be spent?
Final Progress Reports

IX. Epilogue **51**

X. Appendices **55**
Appendix A - Allowable Costs
Appendix B - List of Source Documents
Appendix C - Assurances and Certifications
Appendix D - Regional Offices of the Inspector General for Audit
Appendix E - 28 C.F. R Part 23

Getting Started

Congratulations on receiving your award from the U.S. Department of Justice, Office of Community Oriented Policing Services (COPS). Through the Methamphetamine Initiative, COPS provides funding directly to state, local, Indian tribal, and other public law enforcement agencies who plan to utilize community policing strategies to address methamphetamine problems in their local and surrounding jurisdictions.

For assistance, call the COPS Office at 1-800-421-6770.

This Methamphetamine Initiative Grant Owner's Manual will assist you with the administrative and financial matters associated with your project. It was developed by the COPS Office in conjunction with the Office of the Comptroller (Office of Justice Programs) to ensure that COPS awardees clearly understand and meet all requirements of the program. Please do not hesitate to call the COPS Office if you need assistance with the implementation of your project.

Thank you for providing us with the opportunity to work in partnership with your community.

Glossary of Terms

Allowable costs

Allowable costs are costs that will be paid for by this program. The Methamphetamine Initiative provides funding for the payment of approved salaries, overtime, and benefits for support personnel and approved overtime for sworn law enforcement officers; equipment and technology; and training and/or travel. All costs must be approved in writing by the COPS Office. Upon review of your submitted budget, any unallowable costs were removed and your total budget amount was adjusted accordingly. A copy of the revised budget clearance memorandum from the Office of the Comptroller (Office of Justice Programs) identifying these revisions is included in your award package. Allowable costs under the Methamphetamine Initiative are located in Appendix A.

Authorized Official

The authorized official is the individual in your agency who has final responsibility for all programmatic and financial decisions regarding this award. This person may also be the Program Director.

Catalog of Federal Domestic Assistance (CFDA) Number

The CFDA is a government-wide publication orchestrated by the General Services Administration. It is published annually. The CFDA contains a description and index of all forms of Federal assistance available from the Federal government. Each grant-making agency is responsible for submitting descriptions of its programs. Each program is assigned a CFDA number by the editors of the catalog. The CFDA is used by auditors in tracking grant revenues under the Single Audit Act, and used by the State Single Points of Contact in conducting the required intergovernmental reviews under Executive Order 12372 in those states that participate in that program. The COPS CFDA number for this program is 16.710.

Cooperative Agreement

A cooperative agreement is used as an instrument for funding when the Federal government anticipates that there will be substantial involvement between the Federal agency and the recipient of funds in the implementation of the funded project. While not explicitly defined, a "substantial involvement" encompasses more than routine monitoring or auditing of products, or compliance with the administrative requirements attached to the funding. It may include actual participation and joint efforts with the COPS Office, but does not include direct COPS Office supervision or control. While cooperative agreements usually require more communication and coordination between the Federal agency and the recipient, cooperative agreements can also allow for more flexibility in the redirection of the project or funding.

COPS Office

The Office of Community Oriented Policing Services (COPS) is your "grantor agency" for your Methamphetamine Initiative award. The COPS Office is responsible for administering your grant for the entire grant period. You can reach the COPS Office at 1-800-421-6770.

Federal Cognizant Agency

Your Federal Cognizant Agency is generally the Federal agency that provides you with the most Federal money. Your Federal Cognizant Agency may have already been assigned to you by the Office of Management and Budget. If this is the first Federal grant that your organization has received, the U.S. Department of Justice (DOJ) is your
Federal Cognizant Agency. If the DOJ is your Federal Cognizant Agency, your audit reports should be sent to the Regional Audit Offices of the U.S. Department of Justice.

Grant

A grant is an award of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government to an eligible grantee. (See 28 C.F.R. 66)

Grant Advisor

A point of contact designated by the COPS Office for administration of your grant program.

Grant number

Your grant number will be in the following format: 1999-CK-WX-# # # #. The number can be found on your grant Award Page. It is assigned by the Office of the Comptroller and should be used when corresponding with that office. This will aid the Comptroller in determining to which grant you are referring.

Obligation of Funds

Federal funds are considered to be "obligated" when the grant award document is signed by the director of the COPS Office or his/her designated official. Funds are reserved against the grant until all grant monies are spent or refunded to the Federal Government.

ORI number

The Originating Agency Identifier (ORI) number is assigned by the FBI as a law enforcement agency identifier; the first two letters are your state abbreviation, the next three numbers are your county code, and the final two numbers identify your jurisdiction within your county. It is also a shortened version of the law enforcement

agency National Crime Information Center (NCIC) identifier. If your agency does not have an ORI number assigned by the FBI, the COPS Office assigns a non-official ORI code to use as an agency identifier (the last 2 digits will be "Z" if your code is a non-official ORI code). It can be found on your award document.

Overtime

Overtime refers to paying currently employed sworn officers or support personnel additional monies for working additional hours beyond the normal work week to engage in activities related to this grant. For purposes of this grant, an overtime wage is the amount paid for each hour of overtime service. Additionally, by the conditions of this grant, you are required to track all overtime funded through the COPS Methamphetamine Initiative.

Prior Approval

Prior approval is documentation evidencing consent by the COPS Office prior to incurring a specific cost.

Program Director

The point of contact assigned by the awarded agency to serve as the primary liaison to the COPS Office. The Program Director is responsible for the daily management and operation of the COPS Methamphetamine Initiative activities. The Program Director is tasked with ensuring compliance with the conditions of the award and implementation of the program in accordance with the approved application and other documents.

Program Income

Gross income received by the grantee, sub-grantee, or partner agency directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

Supplanting

For the purpose of your COPS grant, supplanting means using Federal COPS funds to replace state or local funds which otherwise would have been spent on law enforcement purposes. You are prohibited from supplanting throughout the award period. This means that you may not use COPS funds to pay for any civilian position or for sworn officer overtime which otherwise would have been funded with state or local funds. Further, you may not purchase anything with COPS funds that otherwise would have been purchased with state or local funds in the absence of the COPS program. COPS funds must instead be used to supplement your budget. For further information, please review Grant Condition #3 and/or contact the COPS Office Legal Division at 202-514-3750.

Ven Number/EIN Number/Vendor Number

This number is usually your agency Federal identification number assigned by the IRS. In some cases, the EIN has been previously assigned to another agency within your jurisdiction. In such cases, a new vendor number will be assigned by the Office of the Comptroller. The new assigned vendor number is to be used for grant administration uses only and should not be used for IRS purposes.

Section 1

Methamphetamine Initiative

Grant Owner's Manual

Grant Acceptance, Terms, and Conditions

I. Grant Acceptance, Terms, and Conditions

In order to officially begin your grant, you will need to review the Award Page and Conditions, sign the new Award or Modified Award Page and return it to:

COPS Methamphetamine Initiative Control Desk, 8th floor
Office of Community Oriented Policing Services (COPS)
1100 Vermont Ave., NW
Washington, D.C. 20530

You will be able to draw down grant funds after:

1. The COPS Office approves your budget.
2. You sign your Award Page or Modification and return it to the COPS Office.
3. After steps one and two are completed, you may begin drawing down funds through the LOCES or PAPRS systems.

The Award Page

The Award Page contains the pre-printed names and addresses of your law enforcement and government officials. If this information is incorrect or has changed, please correct it on an official change of information sheet. One can be obtained by calling the COPS Office Response Center at 1-800-421-6770. The award also indicates your official grant funding amount, the award number, the award date, and the grant period.

The Award start date for your grant is located on the enclosed Award Page. This means that any allowable costs incurred on or after the award date can be reimbursed by the COPS Office. The duration of your Methamphetamine Initiative grant award is one year.

Your grant award number is in this format: 1999-CK-WX-# # ##. It is used for financial purposes and should be referred to when dealing with the Office of the Comptroller.

Your ORI number begins with your State abbreviation followed by numbers and/or letters. This number is the number assigned by the Federal Bureau of Investigation for use in tracking information for the Uniform Crime Report. The COPS Office tracks programmatic grant information based upon this ORI number.

If you have any questions regarding your grant, please refer to your grant award number and your ORI number.

What is a Modified Award?

In a small number of cases, a Modified Award Page may be included in this mailing. The final grant amount on this document may differ from the estimated amount on your original Award Page because the final amount is based upon your approved budget. If you are receiving a Modified Award, take careful note of the change between your estimated amount on the original document and the actual amount of the Modified Award. If you have any questions about the modification, refer to your budget clearance memorandum. If you still have questions, please contact your financial analyst at 1-800-421-6770. After you review and understand this document, please sign it, make a copy for your records, and mail the original back to the COPS Office.

Grant Conditions

By accepting this grant, you are entering into a partnership with the U.S. Department of Justice, Office of Community Oriented Policing Services (COPS). As part of that partnership, you agree to a number of grant conditions (and possibly additional special conditions specific to your agency). These conditions are listed below and on the back of the enclosed award document. The section that follows describes in detail each of the most commonly questioned award conditions, their rationale, and their implications. It also addresses many commonly asked questions. If you have any additional questions concerning any of these grant conditions, please contact your Grant Advisor at 1-800-421-6770.

Reasons for Grant Conditions

The requirements of your Methamphetamine Initiative grant are established within:

- the Public Safety Partnership and Community Policing Act of 1994 under which the COPS Office was established; and
- applicable rules, regulations and policies issued by the Department of Justice, Office of Management and Budget (OMB), the General Accounting Office (GAO), and the United States Treasury.

A list of source documents for this booklet is provided in Appendix B. You may request copies of any of these materials from the Office of Administration, Publication Unit, Room G 236, New Executive Office Building, Washington, DC 20503, or from either the COPS Office or the Office of the Comptroller.

Review of Each Condition

#1 Procurement Requirements

Grantees which have been awarded funding for the procurement of an item in excess of $100,000 and have already identified a vendor must provide a written sole source justification to the COPS Office prior to obligating, expending, or drawing down grant funds for that item.

Rationale:
In general, grant recipients are required to conduct procurement transactions in a manner that ensures maximum open and free competition. However, in some instances, grantees may have already determined that competition is not feasible.

Action:
If you have received an award for an item or service in excess of $100,000 and have already identified a vendor through the solicitation of only one source, you must provide a written justification that explains why it is necessary to contract non-competitively.

The initial determination that competition is not feasible can be made if you can demonstrate that one of the following circumstances exists:

1. The item or service is available only from a single source or;
2. A competitive solicitation would create an undesirable delay affecting the grantee ability to meet program requirements or;
3. A number of sources were solicited but were considered inadequate.

The COPS Office will review your request and the supporting information which you provide, and will make a written determination as to whether or not an exception can be granted to the general rule regarding competition. Written approval must be obtained prior to drawing down or expending COPS funding on equipment or technology purchased through sole source purchases. *Please use the format described in Section II: "Procurement Procedures" when submitting your justification for non-competitive procurement*

#2 Allowable Costs

The funding under this project is for the payment of approved salaries, overtime, and benefits for support personnel and approved overtime for sworn law enforcement officers; equipment and technology; and training and/or travel. All costs must be approved in writing by the COPS Office. The particular areas for which your grant has been approved are listed on the budget clearance memo, which is included in your award packet.

Rationale:
The Methamphetamine Initiative is meant to help policing agencies further develop an infrastructure to institutionalize and sustain community policing practices. The allowable costs should be used to further this goal.

Action:
Support Personnel Salary and Benefits - To be eligible for payment under the grant, civilian support personnel must be hired after the grant award start date specifically for the COPS grant project. In addition, a salary must be reasonable for the services rendered, and must be paid to a person appointed under the law or rules governing hiring by your agency. Salary payments must be based on payroll records.

Payroll records must be supported by time and attendance records or the equivalent. Grant funded salary and benefit costs must supplement, not supplant (replace), locally funded support personnel costs that would have been funded even in the absence of this grant.

Fringe Benefits - may be paid if they are part of a reasonable compensation package offered to your employees. Particular items of fringe benefits must fall within the categories authorized by the COPS Office. Authorized fringe benefits include FICA, Social Security, health insurance, life insurance, vacation, sick leave, retirement, worker's compensation, and unemployment insurance.

Equipment and Technology - To be eligible for payment under this grant, the purchase of equipment and technology must occur after the award start date, the items most be those specifically applied for and approved by the COPS Office, and they must meet the guidelines described in 28 C.F.R. 66.

Sworn Officer Overtime - To be eligible for payment under this grant, overtime must be the wage normally paid for each hour of overtime service to currently employed sworn officers for working additional hours beyond the normal work week to engage in grant program activities. Grant funded overtime costs must supplement, not supplant (replace), locally funded overtime hours that would be funded even in the absence of this grant. Additionally, by the conditions of this grant, you are required to track all overtime funded through the COPS Methamphetamine Initiative.

Training - To be eligible for payment under this grant, training costs must directly contribute to the performance of individuals involved in this grant program. This training must be pre-approved by the COPS Office, but may be gained at local, state, or national conferences, seminars or classes on the topic area addressed by your grant program.

Consultants/Contracts - The COPS Office requires written justification of any consultant or contractor rate which exceeds $250 per day. Specific and detailed justification must be submitted to and approved by the COPS Office prior to obligation or expenditure of such funds.

Section IV. of this manual outlines the types of records that must be kept by you to ensure that you have followed this grant condition. As long as funds are spent on the salary and benefits, equipment and technology, overtime, or training costs that are documented in your budget summary and were approved by your financial analyst, this grant condition will be satisfied.

#3 Supplement, Not Supplant(Replace)

Methamphetamine Initiative grant funds must be used to supplement, and not supplant (replace), funds for activities that would have taken place in the absence of this grant. Grantees wishing to re-deploy an experienced current employee to the grant project must continue to pay that employee

with local funds; the COPS grant funds may instead be used to "backfill" the vacancy resulting from the redeployment with a newly hired employee.

Rationale:
The Public Safety Partnership and Community Policing Act of 1994 specifically states that Federal funds under the COPS programs may not be used to supplant local or state funds which would be spent on law enforcement purposes in the absence of the COPS grant.

Action:
Officer and Support Resources — To meet this grant condition, you must ensure that:

- Each officer or civilian employed under the Methamphetamine Initiative grant program is newly hired on or after the grant award start date. If current personnel are redeployed into this program, they must be paid with local funds. The COPS grant funds may be used to back-fill the resulting vacancy with newly hired personnel for an equivalent amount of time;

- The civilian(s) that you are hiring brings your force to a number over and above the number of funded civilian positions that you had on the date of your Methamphetamine Initiative grant program application (including funded but vacant positions);

- During the life of your grant, you must continue to hire as many new, locally funded officers and/or civilians as you would have if you had not received your grant. You may not cancel or postpone spending money in your budget that is committed to hiring other new officers and/or civilians;

- You must take expeditious and timely steps to fill any vacancies that were created on or after the date of your grant application by retirement, resignation, or other reasons with new civilians other than your Methamphetamine Initiative program civilians.

Example: If you are redeploying a current employee who would otherwise be paid $30,000 in salary and benefits during the life of the grant project, your agency must continue to pay this employee with local funds. The COPS grant funds may be used to "backfill" the resulting vacancy with a new hire even thought the COPS funded civilian will not be working directly on the Methamphetamine Initiative project.

Equipment and Technology — To meet this grant condition, you will need to ensure that:

- Equipment or technology purchased on or after the award start date

must be in addition to purchases that the grantee is obligated or funded to make in the current budget. Funds currently allocated to purchase equipment or technology may not be reallocated to other purposes or refunded upon the award of a Methamphetamine Initiative grant.

Overtime — To meet this grant condition, you will need to ensure that:

- Overtime exceeds expenditures that the grantee is obligated or funded to pay in the current budget. Funds currently allocated to pay for overtime may not be reallocated to other purposes or refunded upon the award of a COPS Methamphetamine Initiative grant. Additionally, by the conditions of this grant, you are required to track all overtime funded through the COPS Methamphetamine Initiative.

Training — To meet this grant condition you must ensure that:

- Any training provided by the Methamphetamine Initiative program is in addition to the number of hours of training already provided by your agency. Funds currently allocated for training may not be reallocated to other purposes.

Note: Application to Partnership Agency: This condition applies to all state or locally funded agencies working in partnership with you under this grant. You are responsible for ensuring that any state or locally funded partnership agencies use COPS funds only to supplement, and not supplant, their state or local funding as described in this condition

#4 Fiscal Year and Federal Cognizant Agency

Prior to withdrawal of funds under this award, the recipient must provide the Control Desk, Office of the Comptroller, with the recipient organization's fiscal year and the name of the recipient organization's Cognizant Federal Agency.

Rationale:
In order to ensure that your agency is in compliance with Federal audit requirements and OMB regulations, the Office of the Comptroller and the Federal cognizant agencies must coordinate tracking of all Federal funds awarded under grants. To accomplish this, we need your cooperation in gathering the information.

Action:
This information was requested in the application form you submitted for the COPS Methamphetamine Initiative. In most cases this condition has been satisfied. However, if you did not provide this information, your cognizant agency is the Federal department or agency that provides you with the most Federal money. It may have

been assigned to your jurisdiction previously. If this is your first Federal grant, your cognizant agency is most likely the U.S. Department of Justice. Please contact your Grant Advisor if you have any questions about the identity of your Federal Cognizant Agency.

#5 Travel Costs

Travel costs for transportation, lodging, subsistence, and related items are allowable under the Methamphetamine Initiative program with prior approval from the COPS Office. These costs will be considered reasonable and allowable only if such costs do not exceed the charges normally allowed by your jurisdiction. If your jurisdiction does not have a written policy with regard to travel costs, the rates and amounts established under subchapter I of Chapter 57 of Title 5, United States Code "Travel and Subsistence Expense, Mileage Allowances" or by the Administrator of General Services (GSA) or the President or his designee shall be used for travel under Federal Awards (see OMB Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments").

Rationale:
Either local or Federal travel guidelines should be used to determine travel expenses.

Action:
Requests for travel to specific sites made in the application budget section may be used to attend training and technical assistance conferences, seminars or classes, or to visit a site specified in the application. You should be aware that lodging, meals, and incidental expenses related to the project and funded by the Office of Community Oriented Policing Services shall be limited to the established federal rate or local rate for the geographic location of the training, technical assistance, or conference. Any exception to this policy must be justified in writing as cost effective and requires prior written approval of the Office of Community Oriented Policing Services and the Office of the Comptroller, OJP. Any such per diem costs exceeding the Federal rate incurred without prior justification and prior approval will be disallowed. Expenses for lodging, meals and incidental expenses related to this project which were included in the application have been pre-approved in writing.

#6 Assurances and Program Guidelines

The grantee acknowledges its agreement to comply with the assurances and certifications submitted with the COPS Methamphetamine Initiative grant application.

Rationale:
Although the Department of Justice has made every effort to simplify the process for applying for and receiving grants, provisions of Federal law require us to seek your certification regarding certain matters. Most of these assurances apply to all grants provided by the Federal government.

Action:
When you submitted your original application, there was a list of assurances that you signed and included with your completed application. This condition merely restates your agreement to comply with those assurances.

Another copy of the assurances is contained in Appendix C of this Manual. If you have any questions about them, please contact your Grant Advisor.

Note: By signing the grant award and agreeing to abide by the assurances and other grant conditions you are taking responsibility for being the lead agency under this grant. As the lead agency, you have the ultimate responsibility for ensuring that all grant funds are used properly by your agency and by your partner(s). The lead agency remains accountable for the use of the COPS funds throughout the grant period, whether those funds are spent directly by you or by a secondary participant in the funded project.

#7 Reports

In order to assist the COPS Office in the monitoring of the award, your agency will be responsible for submitting periodic program progress reports and quarterly financial status reports. As those reports become due, your Grant Advisor will assist you on the progress reports and a Financial Analyst will assist you on the financial status reports.

Rationale:
The Public Safety Partnership and Community Policing Act of 1994 and other Federal regulations and policies require that financial assistance provided by the Federal government be monitored carefully to ensure the proper use of Federal funds. In addition, the COPS Office seeks to document, on a continuing basis, the progress of our programs and grantees.

Action:
This grant condition is to make you aware of your responsibilities in assisting us with reporting requirements. These reports are discussed extensively in Section VII of this Manual. To meet this condition, you will be requested to complete periodic program progress reports and four financial status reports per year. We are currently exploring ways to reduce the required amount of reporting while ensuring that adequate information is collected.

#8 Evaluation

The COPS Office may conduct or sponsor evaluations of the Community Oriented Policing Services (COPS) program and the Methamphetamine Initiative program. The grantee agrees to cooperate with the evaluators to the extent practicable.

Rationale:
The Public Safety Partnership and Community Policing Act of 1994 states that evaluations of the COPS program may be carried out or commissioned by the Attorney General for the furtherance of the purposes of the Act. The COPS Office conducts evaluations to determine what programs are working, how programs may be improved, and why certain programs are more effective than others.

Specifically, the COPS Office may assess the way in which you implement your community policing program and how it impacts your Methamphetamine problem. In some jurisdictions, COPS staff may study the effectiveness of funded programs, projects, and activities. Evaluators may collect information about the programmatic effect on crime, victims of crime, and the quality of life in communities. In addition, they may ask questions about how residents feel about community policing and how police officers feel about their work. This information will be useful to other communities and police agencies across the country as they develop strategies to focus on Methamphetamine.

Action:
When evaluations are undertaken, you may be contacted in writing with specific requests for information. In general, evaluators may need to speak with individuals in your department, observe activities of your department, and obtain written reports about and from your department. You may be asked to facilitate any site visits and information gathering activities. In addition, you may be asked to provide accurate and timely information about your grant activities

#9 Grant Owner's Manual

The grantee agrees to abide by the terms, conditions, and regulations as found in the Methamphetamine Initiative Grant Owner's Manual and the *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, 28 C.F.R. Part 66 or the *Uniform Administrative Requirements for Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations*, 28 C.F.R. Part 70 as applicable.

Rationale:
This Manual has been tailored to inform you of the policies, procedures, and regulations that apply to your grant. You will be responsible for the information and rules contained in this Manual and in the applicable regulations and provisions of federal law that are referenced in this Manual. More detailed guidance can be requested through your Grant Advisor.

Action:
Please read the entire Methamphetamine Initiative Grant Owners Manual carefully prior to signing the grant Award Page. If you have any questions, please contact your Grant Advisor to discuss them. When you sign the Award Page, you should ensure that the proper reporting and financial systems are in place to satisfy the requirements.

#10 Equal Employment Opportunity Plan (EEOP)

For grants of $500,000 or more (or $1,000,000 or more in grants over an eighteen month period), the grantee acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if grantee is required to submit one under 28 C.F.R. 42.302) that is approved by the Office of Justice Programs, Office of Civil Rights, is a violation of its Assurances and may result in the suspension of the drawdown of funds. For grants under $500,000, the grantee must submit a completed EEOP Certification form and return it to the Office of Justice Programs, Office of Civil Rights, within 120 days of the grant award, to:

Office of Civil Rights
Office of Justice Programs
810 7th Street, NW
Washington, D.C. 20531

Rationale:
The Equal Employment Opportunity Plan (EEOP) ensures full and equal participation of men and women regardless of race or national origin in the workforce of the recipient agency. EEOPs do not impose quotas or hiring requirements. The Department of Justice (DOJ) regulations regarding the requirements for an EEOP for federal grant recipients and the required contents of the document are fully explained in 28 C.F.R.' 42.301 *et seq*.

Action:
DOJ regulations require you to prepare and maintain an EEOP if your organization:

- has 50 or more employees
- received a total of $25,000 or more in grants or sub-grants and
- has 3 percent or more minorities in its service population. Even if there is less than 3 percent of minorities in the service population, the DOJ regulations require that the EEOP be written to focus on women.

If you meet the above criteria and

- receive over $500,000 (or a total of $1 million in grant funds during an 18-month period), you are required to submit an EEOP to:

Office of Civil Rights
Office of Justice Programs
810 7th Street, NW
Washington, D.C. 20531

If you meet the above criteria and your grant is for under $500,000 or you have received less than $1 million in grant funds during an 18-month period, you need to complete and return the one-page COPS EEOP Certification form within 120 days of your grant award to advise us whether you have an EEOP in effect or whether you are exempt from this requirement. If you need help preparing an EEOP, please consult the 7 Step Guide to Preparing an EEOP previously mailed to you.

Note: If you have submitted an approved EEOP under another grant program, and that EEOP remains in effect, you do not need to take any further action to meet this condition.

#11 Extensions

You may request an extension of the grant award period to receive additional time to implement your grant program. These extensions do not provide additional funding. The COPS Office will contact you during the last several months of your grant period to inquire whether or not you need an extension. Only those grantees who can provide a reasonable justification for delays will be granted no-cost extensions.

Rationale:
Under Federal regulations, grant extensions which merely request additional time, not additional funding, require prior approval. Without an approved extension, your funding will be automatically stopped 90 days after the end of the grant period.

Action:
In an effort to reduce the number of extensions during the grant period, the COPS Office asks that you delay any request for an extension until the COPS Office requests such information, and you are able to determine accurately when you expect the grant to be over. If the COPS Office receives and approves your extension request, we will ensure that you have continued access to your grant monies.

#12 Immigration and Naturalization 1-9 Form

The recipient agrees to complete and keep on file, as appropriate, an Immigration and Naturalization Service Employment Eligibility Verification Form (I-9). This form is to be used by the recipients of Federal funds to verify that persons are eligible to work in the United States.

Rationale:
Under federal immigration law, all employers are required to take certain steps to ensure that persons that are hired are legally permitted to work in the United States. **The Immigration and Naturalization Service Employment Eligibility Verification Form (I-9)** outlines the types of documents that an employer should review to confirm that a new hire is eligible to be employed. The provisions of this law apply to employers regardless of whether or not they receive Federal grant funding.

Action:
You do not need to submit any documentation to the COPS Office to satisfy this condition. Rather, you should complete and maintain the I-9 forms for all new employees under the guidelines set forth by the Immigration and Naturalization Service. For information about this requirement, you may call 202-514-4316 or your local INS Office.

#13 Criminal Intelligence Systems

If any part of the funded project is subject to the requirements of the Criminal Intelligence Systems Operating regulation, 28 C.F.R. Part 23, the grantee agrees to comply with this federal regulation and submit a systems operating manual to the COPS Office for approval.

Rationale:
If your Methamphetamine Initiative grant provides funding to purchase, maintain, or enhance equipment (hardware or software) that will enable your agency to receive criminal intelligence information, store it, exchange it with other agencies, disseminate it or analyze it, then you may be operating an interagency criminal intelligence system subject to the mandates of 28 C.F.R. Part 23. This federal regulation exists to ensure that your agency operates and maintains such a system in compliance with the constitutional and privacy rights of individuals. 28 C.F.R. Part 23 also provides guidance that will assist you in understanding the applicability and operating principles of criminal intelligence systems.

Action:
If you think your COPS Methamphetamine Initiative grant may have provided funding for a system as described above, please take the following steps:

1. Review 28 C.F.R. Part 23. See Appendix E.

2. Complete the following self-certification form, which will be sent to your agency under separate cover.

Review 28 C.F.R. Part 23 and then *please mark all boxes* that apply to your situation.

- ☐ If you conclude that Part 23 does not apply to your agency despite the receipt of COPS Methamphetamine equipment grant funds, check the box, sign, and return the enclosed Certification A:

- ☐ If you conclude that Part 23 does apply to your agency, including the operating principles set forth in 28 C.F.R. Part 23.20, check the box and sign and return the enclosed Certification B: (If you choose Certification "B" then you must also choose one of the following three.)

- ☐ If you conclude that Part 23 does apply to your agency and you have in place operating procedures that in your judgement comply with Part 23, including an operations manual governing all aspects of your

Criminal Intelligence System.

- ☐ If you conclude that Part 23 does apply to your agency and you have a Criminal Intelligence System operations manual in the development stage but not yet finalized.

- ☐ If you determine that Part 23 does apply to you but your agency cannot in good faith comply at this time with the requirements of having in place the necessary procedures and safeguards for operating a Criminal Intelligence System, and you do not have in place or under development the required operations manual.

Section 2

Methamphetamine Initiative

Grant Owner's Manual

Procurement Process

II. Procurement Process

Please review the enclosed Uniform Requirements for Grants and Cooperative Agreements to State and Local Governments. If you have any questions regarding the Federal Government requirements that guide procurement procedures, please call 1-800-421-6770. All grantees must follow the regulations listed in 28 C.F.R. 66.36 Procurement.

Justification for Non-Competitive Procurement

If you wish to purchase equipment/technology or enter into a contract with an entity using non-competitive procurement procedures, and the funding level would be in excess of $100,000, you must request, in writing, an exception to the general rule regarding competitive procurement using the following format:

Paragraph 1 - A brief description of the project and what the contract concerns.

Paragraph 2 - Explanation of why it is necessary to contract non-competitively, including the following:

- Expertise of the contractor;
- Management;
- Responsiveness;
- Knowledge of the project;
- Experience of contractor personnel; and
- Results of a market survey to determine competition availability or, if one was not conducted, explain why not.

Paragraph 3 - Time Constraints

- When contractual coverage is required and why;
- Impact on project if dates are not met; and
- How long it would take another contractor to reach the same level of competence (equate to dollars, if desired)

Paragraph 4 - Uniqueness

Paragraph 5 - Other points that should be covered to "sell the case."

Paragraph 6 - A declaration that this action is in the "best interests" of the agency.

Section 3

Methamphetamine Initiative

Grant Owner's Manual

Accessing Grant Funds

III. Accessing Grant Funds

This section provides information about how you receive funds and gives answers to payment-related questions. In your award packet, you will find documents to help you set up access to your grant funds.

- One of the most important financial-related documents is an Automated Clearinghouse (ACH) Vendor/Miscellaneous Payment (SF 3881) enrollment form. The ACH Vendor/Miscellaneous Payment (SF 3881) enrollment form needs to be filled out regardless of the payment method. The "Agency Information" section has been filled out by our Accounting Division; your agency needs to fill out the "Payee/Company Information" section following the directions on the back of the form. Additionally, please provide the grant number printed on the award page on this form. Then you must get your financial institution to complete the "Financial Institution Information" section and have the appropriate financial official sign the form. Once all portions have been completed, return this form to the address printed at the top of the form prior to trying to access funds.

- As part of Federal auditing requirements, your agency must complete a Financial Status Report (Standard Form 269) quarterly. Payment requests will be denied if the current 269 is overdue. Please make blank copies (both sides) of the form provided in your award packet and retain them for future use. This form is a report of the status of expenditures (the amount of money that your agency has expended for the grant); filling out this form and returning it does not mean that you will be reimbursed for the amount shown as being expended on this form. The Financial Status Report is due 45 days following the end of a calendar quarter (calendar quarters end March 31, June 30, September 30, and December 31). *Even when you have not expended any funds during a quarter*, the Financial Status Report should be submitted with zeros in the appropriate spaces. When setting up your account, check to see when the last quarter ended and fill out a Financial Status Report to reflect the amount of expenditures the agency had for the grant, and submit the form along with the ACH Vendor form. For the rest of the year, please submit Financial Status Reports **no later than** May 15, August 15, November 15, and February 15.

- Since most COPS grantees will use the PAPRS method to access grant funds (see "Payment Methods"), the PAPRS User's Manual will be provided to you by the Office of Justice Programs (OJP). Once you receive your OJP Vendor Number (which may or may not be the same as your taxpayer identification number) and PIN number, after returning the ACH Vendor/Miscellaneous Payment enrollment form, you can follow the directions in the User's Manual to access your funds. To obtain a

PAPRS manual, please fax your agency name, grant number, vendor number, the name, address, and telephone number of the person to whom the packet should be sent to 202-616-5962.

If you are already a COPS Office grantee, you should have already selected one of the two payment methods and filled out an ACH Vendor/Miscellaneous Payment (SF 3881) enrollment form. If you have any questions, please call the Accounting Division help line at (202) 307-6232 for LOCES questions or (202) 307-5909 for PAPRS questions.

Can we receive advances?

Yes. If you receive funds through electronic transfer, the period allowed is ten (10) days in advance.

In general, the concept of "minimum cash-on-hand" applies to COPS grants. The minimum cash-on-hand concept requires that you request funds based upon immediate cash disbursement needs. You should time your request for payment to ensure that Federal cash-on-hand is the minimum that you need to make your immediate payments. There should be no excess Federal grant funds on hand, except for approved advances discussed above.

The Federal Government has four basic rules regarding advances. Advances can be terminated if the grantee:

- Is unwilling or unable to attain project goals;
- Maintains excess cash on hand;
- Does not adhere to the terms and conditions of the grant; or
- Fails to submit reliable and/or timely reports.

How often do we request reimbursement of costs?

There are no definitive guidelines on how often you should request reimbursements.

Can we earn interest on our grant funds?

You should minimize the time between your draw down of grant funds and your payment of grant costs. You need to account for interest earned on advance of Federal funds as follows:

- You may keep interest earned on all advances of Federal grant funds up to $250 per fiscal year; and
- Annually remit interest earned (over and above $250 per fiscal year) on advances of Federal grant funds to the U.S. Department of Health and Human Services, Payment Management Systems, Rockville, MD 20852.

Payment Methods

There are two methods of payment that you can use to access your grant funds: PAPRS and LOCES.

The following explanation of payment methods will assist you in determining which payment method you would like to use in accessing your COPS grant funds.

A. PAPRS is the Phone Activated Paperless Request System. PAPRS replaces the paper form H-3 (Request for Payment) by enabling grantees to use their touch-tone telephone to request funds. The system provides on-line information to grantees about the status of their requests and will automatically schedule approved payment requests for U.S. Treasury disbursement.

If you do not have a touch-tone phone, please contact the Accounting Division help line at (202) 307-5909.

B. LOCES is the Letter of Credit Electronic Certification System. The LOCES is a modem connection service that allows recipients of Federal funds to electronically request payment and receive those funds through a direct deposit to their bank account. It is suitable for agencies that have a computer and a dedicated modem, and desire flexibility in how much and when they request their payments.

How does LOCES work?

LOCES is a modem communication system that allows recipients of COPS funds to electronically request payment from any of their grant funds and receive direct deposit to their bank accounts within 48 hours.

1. To make requests for payments through LOCES, you must have a personal computer operating DOS 3.1 or higher. We recommend a 28.8-baud modem.

2. A complete LOCES form and manual package may be requested by contacting the Accounting Division help line at (202) 307-6232. Once you complete and return the LOCES Automation Survey form, your LOCES software will be customized for your use and forwarded to you. In addition, the Accounting Division can provide technical assistance on using the LOCES system.

What are the benefits of LOCES?

The LOCES method is a completely computerized method of payment. It also allows you to file your quarterly Financial Status Reports (SF-269) electronically.

Section 4

Methamphetamine Initiative

Grant Owner's Manual

Financial Record Maintenance

IV. Financial Record Maintenance

Under the COPS Methamphetamine Initiative grant, you are required to establish and maintain accounting systems and financial records to accurately account for funds awarded and disbursed.

Accounting Systems

Your accounting system should:

- present and itemize approved costs of salaries and benefits and show the actual costs of salaries and benefits, equipment and technology, and overtime and show the actual cost of each item funded;
- assure responsible use of grant funds;
- assure that funds are spent in conformance with your grant conditions; and
- be able to provide the necessary information for periodic financial review.

What items should be kept?

Your fiscal control and accounting systems should enable you to make accurate, current, and complete disclosure of the financial activity under your COPS Methamphetamine Initiative grant. Your accounting records should contain information showing expenditures under the grant, and must be supported by items such as payrolls, time and attendance records, purchase orders, canceled checks, or similar documents. You must adequately safeguard grant funds and make sure that they are used for authorized purposes. You will be responsible for refunding expenditures disallowed by auditors.

How long should documents be kept?

All financial records, including payroll, time and attendance records, purchase orders, canceled checks, and similar documents associated with your COPS Methamphetamine Initiative grant should be kept for at least three years from the grant closing audit report date. If any litigation, claim, negotiation, audit, or other action involving these records has been started before the end of the three year period, the records should be kept until completion of the action. These records should be easily located and should be properly protected against fire or other damage.

You should maintain your records so that you can identify them by grant year or by your fiscal year, whichever you find more convenient.

What if we have more than one grant?

If you have more than one Federal grant, funds received under one project may not be used to support another project. Your accounting systems and financial records must reflect expenditures for each project separately.

Who may access our records?

Authorized Federal representatives, including the representatives of the Department of Justice and the Comptroller General for the U.S., may access these records as long as they exist for the purposes of making audits, examinations, excerpts or transcripts.

Section 5

Methamphetamine Initiative

Grant Owner's Manual

Matching Funds

V. Matching Funds

Under the COPS Methamphetamine Initiative, no local match is required. It is likely that the COPS Office is funding 100 percent of the allowable items approved in your budget summary.

Section 6

Methamphetamine Initiative

Grant Owner's Manual

Federal Audit Requirements

VI. Federal Audit Requirements

Audit requirements

State and local governments, nonprofit organizations, and institutions of higher education are governed by OMB Circular A-133, as amended. Whether an audit is required under this circular is dependent upon the amount of Federal funds that can be audited during the recipient's fiscal year. If the organization receives $300,000 or more per year in Federal funds, the organization shall have an organization-wide financial and compliance audit.

State and local governments, nonprofit organizations, and institutions of higher education receiving less than $300,000 a year in Federal awards are exempt from Federal audit requirements, but records must be available for review by appropriate officials of the Federal grantor agency or sub-granting entity.

Commercial (for profit) organizations shall have financial and compliance audits performed by qualified individuals who are independent from those who authorized the expenditure of Federal funds. This audit must be performed in accordance with Government Audit Standards. The audit thresholds contained in OMB Circular A-133, as amended, apply.

What is an organization-wide financial and compliance audit?

An organization-wide financial and compliance audit is an audit conducted by an independent auditor covering the entire operations of the state and local government, nonprofit organization, or institution of higher education. At the option of a particular government entity, an organization-wide financial and compliance audit can be performed only on the specific departments or agencies that will receive, expend, or otherwise administer Federal funds during the fiscal year rather than on the entire state or government entity.

What is the purpose of an audit?

Audits review your administration of grant funds and specifically determine whether:

- You have established an accounting system which will provide reasonable assurance that your organization is managing the COPS Methamphetamine Initiative funds in compliance with the laws and regulations documented in this Manual and in the assurances which were part of your application. Your accounting system must provide for adequate review and control by your authorized officials to provide accountability for grant draw-down amounts; grant payments for salaries and benefits, equipment purchases, contracted services, etc.; and bank account balances.

You or your financial manager have prepared financial statements that are accurate and that are in accordance with generally accepted accounting principles.

- You have prepared financial reports, including financial status reports, cash reports, and claims for advances and reimbursements, which contain accurate and reliable financial data and are represented in accordance with the conditions of your COPS Methamphetamine Initiative grant and this COPS Methamphetamine Initiative Grant Owner's Manual.

- You have spent the grant funds in accordance with the conditions of your COPS Methamphetamine Initiative grant and provisions for Federal law that may bear on your financial statements.

What are the audit reporting requirements?

If an auditor becomes aware of any issues or illegal acts, the auditor is required to give prompt notice of the problem to the management officials in your department. The management official is required to promptly notify your Cognizant Federal Agency of the issues or illegal acts and of the proposed and actual actions to solve the problem. The COPS Office must inform the appropriate officials, including state and local law enforcement agencies or prosecuting authorities, of any known violations of the law within their respective area of jurisdiction.

Your auditor may request from you the Catalog of Federal Domestic Assistance (CFDA) number for the Methamphetamine Initiative grant. That number is 16.710.

What is the due date of audit reports?

1. A grantee, whose fiscal year begins before July 1, 1999, must submit an audit report within 13 months after their fiscal year ends.

2. A grantee, whose fiscal year begins on or after July 1, 1999, must submit an audit report within 9 months after their fiscal year ends.

Where are the audit reports to be submitted?

You should submit reports of your audit to your Cognizant Federal Agency and to other Federal agencies that provide direct Federal funding to your organization.

A Federal Cognizant Agency is generally the Federal agency that provides you with the most Federal money. If this is the first Federal grant that your organization has received, the Department of Justice is your Federal Cognizant Agency. In that case, your audit reports should be sent to the Federal Audit Clearing House. In addition, a

copy of your audit transmittal letter (cover letter) addressed to the DOJ Regional Inspector General's Office must be sent to the Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, IN 47132

If this is not your first Federal grant, please check with your financial analyst or auditor within your department to determine locally the identity of your Federal Cognizant Agency. If you are unable to determine which agency this is, please contact your COPS financial analyst.

What if there are problems with our audit report?

Your management officials must develop recommendations for timely action that will resolve issues that the audit identifies. Prior to your audit, you should develop policies and procedures for how your agency will respond to audit recommendations. These policies and procedures should designate officials to be responsible for:

- follow-up on audit findings;
- maintaining a record of the actions taken on recommendations and time schedules;
- responding to and acting on audit recommendations; and
- submitting periodic reports to the Federal Cognizant Agency on recommendations and actions taken.

How are our grant audit requirements monitored?

The Office of the Comptroller, in coordination with the COPS Office, will track audit requirements. Audit reports will be tracked until all issues are resolved and the audit is closed.

How can our agency receive technical assistance with audit requirements?

The Office of the Inspector General at the U.S. Department of Justice is available to provide technical assistance to you in implementing audit requirements where the Department of Justice is your assigned Federal Cognizant Agency. You may receive assistance on the following audit matters by contacting your Regional Inspector General (see Appendix C for addresses and telephone numbers):

- review of audit arrangements;
- review of audit programs or guides to be used for the conduct of the audit; and
- on-site assistance in performing the audit, when necessary, as a result of complex problems that arise.

What are the consequences of not complying with audit requirements?

Future grants will not be awarded to any grantee who has an overdue audit report or an open audit report where the grantee has not attempted to respond or has taken no action to resolve findings. You must be in compliance with the audit requirements to receive grant funds. Exceptions to this policy are by the recommendation of the Office of the Comptroller.

Section 7

Methamphetamine Initiative

Grant Owner's Manual

Reports

VII. Reports

Periodically, you will be asked to provide two types of reports - Program Progress Reports and Financial Status Reports. Funds and future awards may be withheld if reports are not returned or are excessively late.

Program Progress Reports

How often will progress reports be requested?

Program progress reports will be distributed on a periodic basis throughout the grant period. Grant recipients must adhere to all deadlines set forth for the submission of these reports.

What kind of information will these reports require?

These reports will request information on the status of funded activities, as well as updates concerning the hiring of personnel and the purchase and installation of equipment and technology. Additionally, the COPS Office will ask questions regarding any progress your agency makes as a result of your involvement in the Methamphetamine Initiative.

How and when will these forms be sent?

These reports and instructions will be mailed to you in the next several months. You will also receive periodic phone calls from your Grant Advisor regarding the status of your grant. Your Grant Advisor or other representatives of COPS may make site visits to your agency during the grant period.

Financial Status Reports

How will the financial aspects of our grant be monitored?

The Office of the Comptroller monitors the financial aspects of your grant through financial reports, meetings, telephone contacts, reports, audits, review of grant change requests and special request submissions. In specific cases, information may be requested during an on-site visit.

Financial status reports under PAPRS

Under the PAPRS system, you are required to complete and return quarterly Financial Status Reports (SF-269) within 45 days after the end of the calendar quarter. These reports request information on your monies spent and the un-obligated amounts.

Much of the standard information will be completed by the Office of the Comptroller and is for your review only. Blank copies of these forms may be requested through

the Office of Management and Budgets Fax Info line at 202-395-9068. The fax on demand number for the Financial Status Report is # 2691. The financial status reporting deadlines follow (please note that the Office of the Comptroller reserves the right to change these due dates):

QUARTER:	DUE DATE:
1. Jan 1 - March 31	May 15
2. April 1 - June 30	Aug. 15
3. July 1 - Sept. 30	Nov. 15
4. Oct. 1 - Dec. 31	Feb. 15

Once completed, please fax these reports to 202-616-9004.

YOU WILL NOT BE ABLE TO ACCESS FUNDS IN THE PAPRS SYSTEM UNLESS YOU HAVE SUBMITTED THESE FINANCIAL STATUS REPORTS!

Financial status reports under LOCES

Under the LOCES payment method, you are required to complete and return quarterly Financial Status Reports (SF-269) within 45 days after the end of the calendar quarter. However, you will have the option of completing those reports electronically each quarter.

Cash Reconciliation Reports

The Office of the Comptroller, Accounting Division, will send a Cash Reconciliation report twice a year. This report includes all cash activity related to your grant during the period printed on the report. You will need to verify the accuracy of this report. If the reflected information is accurate and in agreement with your records, no response is necessary. If the information differs from your records, please write to the Accounting Division, identifying the differences.

Reporting Violations (Fraud, Waste, and Abuse)

If you suspect any alleged violations, serious irregularities, or acts that may result in the use of public funds in a manner inconsistent with the Public Safety Partnership and Community Policing Act of 1994 or the purposes of this grant, please report such activities to the Department of Justice Inspector General Hotline at 1-800-869-4499. We would greatly appreciate your cooperation to help us ensure that these Federal grant funds are spent responsibly.

Section 8

Methamphetamine Initiative

Grant Owner's Manual

When Your Grant Period Ends

VIII. When the Grant Period Ends

"Closing Out" Your Grant

At the end of your grant period, the COPS Office is responsible for the "close out" of your grant. To fulfill this requirement, we must determine that you, as well as the COPS Office, have completed all of the work required of the grant.

When should all of the grant monies be spent?

Grant funds must be obligated by the end of the grant period. Obligated funds cover expenses that you have incurred but not yet paid. Grant funds that have been obligated have 90 days after the end of the grant to be paid out (expended) to you. Any grant funds that you do not request payment for by the end of the 90th day will revert to the COPS Office. Any unspent funds must be returned to the Federal Government.

Final Progress Reports

Within 90 days of the end of your grant period, the COPS Office will ask you to submit final financial and program progress reports. The final program progress report and its instructions will be mailed to you toward the end of your grant period.

Section 9

Methamphetamine Initiative

Grant Owner's Manual

Epilogue

Epilogue

We hope that this Manual has assisted you with your grant questions. We welcome and encourage any comments you have regarding the COPS Methamphetamine Initiative and the materials we are developing for its administration. If you have specific comments regarding this Manual, please send them to COPS Methamphetamine Initiative Team Leader, 1100 Vermont Ave., NW, 9th Floor, Washington, D.C. 20530. We will review these comments and make revisions as appropriate.

If you have any questions about your grant, please call 1-800-421-6770 or your Grant Advisor.

Section 10

Methamphetamine Initiative

Grant Owner's Manual

Appendices

Appendix A

Allowable Costs

The following information summarizes categories of allowable and unallowable costs for funding from COPS under the Methamphetamine Initiative. The budget items must programmatically link to the activities described in the proposal. While costs may be listed as allowable, the COPS Office will determine appropriateness of requested funds for the activities within each proposal. The burden to adequately demonstrate that the item requested is directly related to the program is placed on the grantee and the COPS Office may delete any unlinked items without notification.

Although some of the statutory application requirements for COPS grants have been waived for the COPS Methamphetamine Initiative, the prohibition against supplanting remains in force. That is, funds provided must be in addition to locally budgeted items, not in lieu of these items.

Personnel

Allowable:

Law Enforcement officers

- Approved overtime incurred after the award start date for existing full-time officers working directly on this program

Employees other than law enforcement officers (civilian support staff)

- Salaries and benefits of support staff hired after your award start date to work directly on this program;
- Salaries and benefits of support staff hired after your award start date to backfill a vacancy crated when your agency re-deploys an experienced locally funded civilian to the COPS grant project.

Unallowable:

- Salaries and benefits of existing employees; and
- Salaries and benefits of grant writers or other staff that do not *directly* contribute to the implementation or enhancement of the program (unless hired to backfill a vacancy created by the redeployment of a locally funded civilian to the grant project).

NOTE: When itemizing fringe benefits, FICA combined with Social Security cannot exceed 7.65 percent, and if you are not requesting reimbursement for FICA, Worker's Compensation or Unemployment, please make a note that your agency plans to cover these items, as they are required benefits.

Travel

Allowable:

- Reasonable out of town travel costs (lodging, meals, and transportation

costs if travel is over 50 miles from program location) in accordance with applicable guidelines to visit other jurisdictions engaged in similar programs or to attend conferences/training directly related to the goals of the program.

Unallowable:

- Local travel costs (lodging, meals or transportation costs) within a 50 mile radius of the program location.

Technology and Equipment

NOTE: *Any expenses under $5,000 per unit should be itemized under "Supplies"*

Allowable

- Technology and equipment that is purchased specifically for this program after the award start date can be clearly linked to the implementation or enhancement of the program. The burden is on the grantee to adequately demonstrate this connection. (Some potential examples may include computerized crime analysis software, mapping software, or electronic bulletin boards to enhance communication between police and citizens.

Unallowable:

- Standard police issue equipment [includes patrol cars, mobile police units, weapons, vests, accessories, emergency equipment, MDTs (MDCs and laptops are allowable), and uniforms]; and
- Office furniture and equipment, such as copiers, shredders, desks, chairs, etc.

Supplies

Allowable:

- Supplies such as copying, general office items, postage and others if directly related to the program.

Unallowable:

- Standard office supplies not directly related to the program.

Construction

- No construction costs are allowable under this program.

Consultants/Contracts

Allowable:

- Consultant/contractor costs if they directly contribute to the implementation or enhancement of the program (Note: Consulting and/or contractor costs may not exceed $250 per day without prior approval by the COPS Office.);

- Consultant or trainer fees only for additional training that supplements, but does not replace, any current training of new or re-deployed officers, civilians, and/or community members in areas or topics that relate to the programs goals;
- Supervisory training related to the program; and
- Conference costs related to the program (registration fees, books).

Unallowable:

- Training in topics not directly linked to the program.

Miscellaneous

Allowable:

- Performance evaluation development;
- Publications relating to the program and community policing;
- Reasonable and appropriate community incentives (subcontracts, awards, etc.);
- Local evaluation costs;
- Examples of these costs include: small contracts with local colleges and universities, in-house research staff costs, and focused technology costs;
- Training development costs directly related to the program;
- Costs related to survey development, administration, and analysis of survey information;
- In-house newsletters;
- Partnership or team building costs including travel, focus group meetings, and other related activities (note, however, that meals and refreshments for meetings are not allowed);
- Video production if directly related to the program;
- Costs of community meetings and workshops, including reasonable room rental costs; and
- Internet access fees, on-line research services, etc. if directly related to the program.

Unallowable:

- Other miscellaneous costs that do not directly lead to the implementation or enhancement of the program; and
- Meals or refreshment costs associated with meetings, etc.

Appendix B

List of Source Documents

Primary Sources:

Public Safety Partnership and Community Policing Act of 1994, 42 U.S.C.

U.S. Department of Justice, Office of Justice Programs, Financial and Administrative Guide for Grants, OJP M 7100.1D: May 15, 1990

Additional Sources:

Code of Federal Regulations (CFR)

28 CFR Part 66 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

28 CFR Part 67 Government wide Requirements for Drug-Free Workplaces (Grants)

28 CFR Part 69 Government wide New Restrictions on Lobbying

31 CFR Part 205 Treasury Department Regulations Implementing for Cash Management Improvement Act of 1990

OMB Circular A-87 Cost Principles for State and Local Governments

OMB Circular A-33 Audits of Educational Institutions

Assurances for Universal Hiring (Included)

Executive Order 12547 "Non-Procurement Debarments and Suspension"

Executive Order 12372, 28 CFR, Part 30 "Intergovernmental Review of Federal Programs"

OMB Circular A-129 Managing Federal Credit Programs

4 CFR Parts 101-105 Department of Justice/General Accounting Office, "Joint Federal Claims Collections Standards"

5 CFR Part 1320 "Controlling the Paperwork Burden on the Public"

Executive Order 12291 "Regulations"

5 CFR Part 151 "Political Activities of State and Local Officials or Employees"

Appendix C - Assurances

Several provisions of Federal law and policy apply to all grant programs. We (the Office of Community Oriented Policing Services) need to secure your assurance that you (the applicant) will comply with these provisions. If you would like further information about any of the matters on which we seek your assurance, please contact us.

By your authorized representative's signature, you assure us and certify to us that you will comply with all legal and administrative requirements that govern the applicant for acceptance and use of Federal grant funds. In particular, you assure us that:

1. You have been legally and officially authorized by the appropriate governing body (for example, mayor or city council) to apply for this grant and that the persons signing the application and these assurances on your behalf are authorized to do so and to act on your behalf with respect to any issues that may arise during processing of this application.

2. You will comply with the provisions of Federal law which limit certain political activities of your employees whose principal employment is in connection with an activity financed in whole or in part with this grant. These restrictions are set forth in 5 U.S.C. § 1501, et seq.

3. You will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, if they apply to you.

4. You will establish safeguards, if you have not done so already, to prohibit employees from using their positions for a purpose that is, or gives the appearance of being, motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.

5. You will give the Department of Justice or the Comptroller General access to and the right to examine records and documents related to the grant.

6. You will comply with all requirements imposed by the Department of Justice as a condition or administrative requirement of the grant; with the program guidelines; with the requirements of OMB Circulars A-87 (governing cost calculations) and A-128 or A-133 (governing audits); with the applicable provisions of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; with 28 CFR Part 66 (Uniform Administrative Requirements); with the provisions of the current edition of the appropriate COPS grant owner's manual; and with all other applicable laws, orders, regulations or circulars.

7. You will, to the extent practicable and consistent with applicable law, seek, recruit and hire qualified members of racial and ethnic minority groups and qualified women in order to further effective law enforcement by increasing their ranks within the sworn positions in your agency.

8. You will not, on the ground of race, color, religion, national origin, gender, disability or age, unlawfully exclude any person from participation in, deny the benefits of or employment to any person, or subject any person to discrimination in connection with any programs or activities funded in whole or in part with Federal funds. These civil rights requirements are found in the non-discrimination provisions of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. § 3789(d)); Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d); the Indian Civil Rights Act (25 U.S.C. §§ 1301-1303); Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794); Title II, Subtitle A of the Americans with Disabilities Act (ADA) (42 U.S.C. § 12101, et seq.); the Age Discrimination Act of 1975 (42 U.S.C. § 6101, et seq.); and Department of Justice Non-Discrimination Regulations contained in Title 28, Parts 35 and 42 (subparts C, D, E and G) of the Code of Federal Regulations.

A. In the event that any court or administrative agency makes a finding of discrimination on grounds of race, color, religion, national origin, gender, disability or age against you after a due process hearing, you agree to forward a copy of the finding to the Office of Civil Rights, Office of Justice Programs, 810 7th Street, NW, Washington, DC 20531.

B. If you are applying for a grant of $500,000 or more and Department regulations (28 CFR 42.301 et seq.) require you to submit an Equal Opportunity Employment Plan, you will do so at the time of this application, if you have not done so in the past. If you are applying for a grant of less than $500,000 and the regulations require you to maintain a Plan on file in your office, you will do so within 120 days of your grant award.

9. You will insure that the facilities under your ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that you will notify us if you are advised by the EPA indicating that a facility to be used in this grant is under consideration for listing by EPA.

10. If your state has established a review and comment procedure under Executive Order 12372 and has selected this program for review, you have made this application available for review by the state Single Point of Contact.

11. You will devise a plan to retain the increased hiring level with state and local funds after the conclusion of your grant.

I hereby certify compliance with the above assurances that govern the application and use of Federal funds.

Signature: _____ Date: _____

Certifications

Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; Drug-Free Workplace Requirements Coordination with Affected Agencies; Non-Supplanting; and Retention.

Although the Department of Justice has made every effort to simplify the application process, other provisions of Federal law require us to seek your certification regarding certain matters. Applicants should read the regulations cited below and the instructions for certification included in the regulations to understand the requirements and whether they apply to a particular applicant. Signature of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying," and 28 CFR Part 67, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)," and the coordination and non-supplanting requirements of the Public Safety Partnership and Community Policing Act of 1994. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Justice determines to award the covered grant.

1. Lobbying

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over $100,000, as defined at 28 CFR Part 69, the applicant certifies that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any 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 the making of any Federal grant; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment or modification of any Federal grant or cooperative agreement;

B. If any funds other than Federal appropriated funds have been paid or will be paid to any 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 this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form — LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;

C. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

2. Debarment, Suspension and Other Responsibility Matters (Direct Recipient)

As required by Executive Order 12549, Debarment and Suspension, and implemented at 28 CFR Part 67, for prospective participants in primary covered transactions, as defined at 28 CFR Part 67, Section 67.510 —
A. The applicant certifies that it and its principals:

(i) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a state or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(ii) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(iii) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, state or local) with commission of any of the offenses enumerated in paragraph (A)(ii) of this certification; and

(iv) Have not within a three-year period preceding this application had one or more public transactions (Federal, state or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

3. Workplace (Grantees Other Than Individuals)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67, Sections 67.615 and 67.620 —
A. The applicant certifies that it will, or will continue to, provide a drug-free workplace by:

(i) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(ii) Establishing an on-going drug-free awareness program to inform employees about —

(a) The dangers of drug abuse in the workplace;

(b) The grantee's policy of maintaining a drug-free workplace;

(c) Any available drug counseling, rehabilitation and employee assistance programs; and

(d) The penalties that may be imposed upon employees for drug-abuse violations occurring in the workplace;

(iii) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (i);
(iv) Notifying the employee in the statement required by paragraph (i) that, as a condition of employment under the grant, the employee will —
(a) Abide by the terms of the statement; and
(b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
(v) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (iv)(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: COPS Office, 1100 Vermont Ave., NW, Washington, DC 20530. Notice shall include the identification number(s) of each affected grant;
(vi) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (iv)(b), with respect to any employee who is so convicted —
(a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
(b) 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;
(vii) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (i), (ii), (iii), (iv), (v) and (vi).
B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:
Place of performance (street address, city, county, state, zip code)
_____
_____

Check r if there are workplaces on file that are not identified here.
Section 67.630 of the regulations provides that a grantee that is a state may elect to make one certification in each Federal fiscal year, a copy of which should be included with each application for Department of Justice funding. States and state agencies may elect to use OJP Form 4061/7.
Check r if the state has elected to complete OJP Form 4061/7.

4. Coordination

The Public Safety Partnership and Community Policing Act of 1994 requires applicants to certify that there has been appropriate coordination with all agencies that may be affected by the applicant's grant proposal if approved. Affected agencies may include, among others, the Office of the United States Attorney, state or local prosecutors, or correctional agencies. The applicant certifies that there has been appropriate coordination with all affected agencies.

5. Non-Supplanting

The applicant hereby certifies that Federal funds will not be used to replace or supplant state or local funds, or funds supplied by the Bureau of Indian Affairs, that would, in the absence of Federal aid, be made available to or for law enforcement purposes.

6. Retention

The applicant hereby certifies that it understands that it must abide by its submitted plan to retain the additional civilian positions and redeployment levels at the conclusion of the grant period.

Grantee Name and Address:
_____
Application No. and/or Project Name: _____ Grantee IRS/ Vendor Number: _____
Typed Name and Title of Law Enforcement Representative: _____
Signature: _____ Date: _____
As the duly authorized representative of the governing body, I hereby certify that the I am binding the governing body to the above certifications, including the plan to retain. Elections of new officials will not relieve the governing body of its obligations under this grant.

Typed Name and Title of Government Representative: _____
Signature:_____Date: _____

Appendix D - Regional Offices of the Inspector General for Audit

Regional Audit Office	Geographical Area of Responsibility
Clark F. Cooper, Atlanta, Regional Inspector General for Audit 101 Marietta Street, Suite 2322 Atlanta, GA 30323-2401 Voice No. (404) 331-5037; Fax No. (404) 331-5046 Robert C. Gruensfelder, Chicago, Reg. Inspector General for Audit 500 West Madison, Suite 3510 Chicago, IL 60661-2550 Voice No. (312) 353-1203; Fax No. (312) 886-0513	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, South Carolina, Puerto Rico, Virgin Islands
George W. Stendell, Dallas, Regional Inspector General for Audit 207 S. Houston St., Box 4, Room 575 Dallas, TX 75202-4724 Voice No. (214) 655-5000; Fax No. (214) 655-5025 David Sheenen, Denver Area Assistant Regional Inspector General for Audit Colonnade Center Federal Building 1244 Speer Boulevard, Suite 640 Denver, CO 80204 Voice No. (303) 844-3638; Fax No. (303) 844 2780	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, Wisconsin
M. Thomas Clark, San Francisco, Regional Inspector General for Audit 1200 Bayhill Drive, Suite 201 San Bruno, CA 94066 Voice No. (415) 876-9220; Fax No. (415) 876-0902	Arkansas, Louisiana, New Mexico, Oklahoma, Texas Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming
Domenic A. Zazzaro, Northeast, Reg. Inspector General for Audit 1425 New York Avenue, NW, Suite 6001 Washington, DC 20530 Voice No. (202) 616-4688; Fax No. (202) 616-4581	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Washington, American Samoa, Guam, Trust Territories of the Pacific Islands, Commonwealth of Northern Marianna Islands
David Andelman, NE Area Assistant Regional Inspector General for Audit 701 Market Street, Suite 201 Philadelphia, PA 19106 Voice No. (215) 580-2111; Fax No. (215) 597-1348	District of Columbia, Maryland, Virginia, West Virginia Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont

Appendix E - 28 C.F.R. Part 23

Part 23-CRIMINAL INTELLIGENCE SYSTEMS OPERATING POLICIES

Sec.
23.1 Purpose.
23.2 Background.
23.3 Applicability.
23.20 Operating principles.
23.30 Funding guidelines.
23.40 Monitoring and auditing of grants for the funding of intelligence systems.

AUTHORITY: 42 U.S.C. 3782(a); 42 U.S.C. 3789g(c).
SOURCE: 58 FR 48452, Sept. 16, 1993, unless otherwise noted.

§ 23.1 Purpose.

The purpose of this regulation is to assure that all criminal intelligence systems operating through support under the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. 3711, et seq., as amended (Pub. L. 90-351, as amended by Pub. L. 91-644, Pub. L. 93-83, Pub. L. 93-415, Pub. L. 94-430, Pub. L. 94-503, Pub. L. 95-115, Pub. L. 96-157, Pub. L. 98-473, Pub. L. 99-570, Pub. L. 100-690, and Pub. L. 101-647), are utilized in conformance with the privacy and constitutional rights of individuals.

§ 23.2 Background.

It is recognized that certain criminal activities including but not limited to loan sharking, drug trafficking, trafficking in stolen property, gambling, extortion, smuggling, bribery, and corruption of public officials often involve some degree of regular coordination and permanent organization involving a large number of participants over a broad geographical area. The exposure of such ongoing networks of criminal activity can be aided by the pooling of information about such activities. However, because the collection and exchange of intelligence data necessary to support control of serious criminal activity may represent potential threats to the privacy of individuals to whom such data relates, policy guidelines for Federally funded projects are required.

§ 23.3 Applicability.

(a) These policy standards are applicable to all criminal intelligence systems operating through support under the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. 3711, et seq., as amended (Pub. L. 90-351, as amended by Pub. L. 91-644, Pub. L. 93-83, Pub. L. 93-415, Pub. L. 94-430, Pub. L. 94-503, Pub. L. 95-115, Pub. L. 96-157, Pub. L. 98-473, Pub. L. 99-570, Pub. L. 100-690, and Pub. L. 101-647.)
(b) As used in these policies:
(1) Criminal Intelligence System or Intelligence System means the arrangements, equipment, facilities, and procedures used for the receipt, storage, interagency

exchange or dissemination, and analysis of criminal intelligence information;

(2) Inter-jurisdictional Intelligence System means an intelligence system which involves two or more participating agencies representing different governmental units or jurisdictions;

(3) Criminal Intelligence Information means data which has been evaluated to determine that it:

(i) Is relevant to the identification of and the criminal activity engaged in by an individual who or organization which is reasonably suspected of involvement in criminal activity, and

(ii) Meets criminal intelligence system submission criteria;

(4) Participating Agency means an agency of local, county, State, Federal, or other governmental unit which exercises law enforcement or criminal investigation authority and which is authorized to submit and receive criminal intelligence information through an inter-jurisdictional intelligence system. A participating agency may be a member or a nonmember of an inter-jurisdictional intelligence system;

(5) Intelligence Project or Project means the organizational unit which operates an intelligence system on behalf of and for the benefit of a single agency or the organization which operates an inter-jurisdictional intelligence system on behalf of a group of participating agencies; and

(6) Validation of Information means the procedures governing the periodic review of criminal intelligence information to assure its continuing compliance with system submission criteria established by regulation or program policy.

§ 23.20 Operating principles.

(a) A project shall collect and maintain criminal intelligence information concerning an individual only if there is reasonable suspicion that the individual is involved in criminal conduct or activity and the information is relevant to that criminal conduct or activity.

(b) A project shall not collect or maintain criminal intelligence information about the political, religious or social view, associations, or activities of any individual or any group, association, corporation, business, partnership, or other organization unless such information directly relates to criminal conduct or activity and there is reasonable suspicion that the subject of the information is or may be involved in criminal conduct or activity.

(c) Reasonable Suspicion or Criminal Predicate is established when information exists which establishes sufficient facts to give a trained law enforcement or criminal investigative agency officer, investigator, or employee a basis to believe that there is a

reasonable possibility that an individual or organization is involved in a definable criminal activity or enterprise. In an inter-jurisdictional intelligence system, the project is responsible for establishing the existence of reasonable suspicion of criminal activity either through examination of supporting information submitted by a participating agency or by delegation of this responsibility to a properly trained participating agency which is subject to routine inspection and audit procedures established by the project.

(d) A project shall not include in any criminal intelligence system information which has been obtained in violation of any applicable Federal, State, or local law or ordinance. In an inter-jurisdictional intelligence system, the project is responsible for establishing that no information is entered in violation of Federal, State, or local laws, either through examination of supporting information submitted by a participating agency or by delegation of this responsibility to a properly trained participating agency which is subject to routine inspection and audit procedures established by the project.

(e) A project or authorized recipient shall disseminate criminal intelligence information only where there is a need to know and a right to know the information in the performance of a law enforcement activity.

(f)(1) Except as noted in paragraph (f)(2) of this section, a project shall disseminate criminal intelligence information only to law enforcement authorities who shall agree to follow procedures regarding information receipt, maintenance, security, and dissemination which are consistent with these principles.

(2) Paragraph (f)(1) of this section shall not limit the dissemination of an assessment of criminal intelligence information to a government official or to any other individual, when necessary, to avoid imminent danger to life or property.

(g) A project maintaining criminal intelligence information shall ensure that administrative, technical, and physical safeguards (including audit trails) are adopted to insure against unauthorized access and against intentional or unintentional damage. A record indicating who has been given information, the reason for release of the information, and the date of each dissemination outside the project shall be kept. Information shall be labeled to indicate levels of sensitivity, levels of confidence, and the identify of submitting agencies and control officials. Each project must establish written definitions for the need to know and right to know standards for dissemination to other agencies as provided in paragraph (e) of this section. The project is responsible for establishing the existence of an inquirer's need to know and right to know the information being requested either through inquiry or by delegation of this responsibility to a properly trained participating agency which is subject to routine inspection and audit procedures established by the project. Each intelligence project shall assure that the following security requirements are implemented:

(1) Where appropriate, projects must adopt effective and technologically advanced computer software and hardware designs to prevent unauthorized access to the infor-

mation contained in the system;

(2) The project must restrict access to its facilities, operating environment and documentation to organizations and personnel authorized by the project;

(3) The project must store information in the system in a manner such that it cannot be modified, destroyed, accessed, or purged without authorization;

(4) The project must institute procedures to protect criminal intelligence information from unauthorized access, theft, sabotage, fire, flood, or other natural or manmade disaster;

(5) The project must promulgate rules and regulations based on good cause for implementing its authority to screen, reject for employment, transfer, or remove personnel authorized to have direct access to the system; and

(6) A project may authorize and utilize remote (off-premises) system data bases to the extent that they comply with these security requirements.

(h) All projects shall adopt procedures to assure that all information which is retained by a project has relevancy and importance. Such procedures shall provide for the periodic review of information and the destruction of any information which is misleading, obsolete or otherwise unreliable and shall require that any recipient agencies be advised of such changes which involve errors or corrections. All information retained as a result of this review must reflect the name of the reviewer, date of review and explanation of decision to retain. Information retained in the system must be reviewed and validated for continuing compliance with system submission criteria before the expiration of its retention period, which in no event shall be longer than five (5) years.

(i) If funds awarded under the Act are used to support the operation of an intelligence system, then:

(1) No project shall make direct remote terminal access to intelligence information available to system participants, except as specifically approved by the Office of Justice Programs (OJP) based on a determination that the system has adequate policies and procedures in place to insure that it is accessible only to authorized systems users; and

(2) A project shall undertake no major modifications to system design without prior grantor agency approval.

(j) A project shall notify the grantor agency prior to initiation of formal information exchange procedures with any Federal, State, regional, or other information systems not indicated in the grant documents as initially approved at time of award.

(k) A project shall make assurances that there will be no purchase or use in the course of the project of any electronic, mechanical, or other device for surveillance purposes that is in violation of the provisions of the Electronic Communications Privacy Act of 1986, Public Law 99-508, 18 U.S.C. 2510-2520, 2701-2709 and 3121-3125, or any applicable State statute related to wiretapping and surveillance.

(l) A project shall make assurances that there will be no harassment or interference with any lawful political activities as part of the intelligence operation.

(m) A project shall adopt sanctions for unauthorized access, utilization, or disclosure of information contained in the system.

(n) A participating agency of an inter-jurisdictional intelligence system must maintain in its agency files information which documents each submission to the system and supports compliance with project entry criteria. Participating agency files supporting system submissions must be made available for reasonable audit and inspection by project representatives. Project representatives will conduct participating agency inspection and audit in such a manner so as to protect the confidentiality and sensitivity of participating agency intelligence records.

(o) The Attorney General or designee may waive, in whole or in part, the applicability of a particular requirement or requirements contained in this part with respect to a criminal intelligence system, or for a class of submitters or users of such system, upon a clear and convincing showing that such waiver would enhance the collection, maintenance or dissemination of information in the criminal intelligence system, while ensuring that such system would not be utilized in violation of the privacy and constitutional rights of individuals or any applicable State or Federal law.

§ 23.30 Funding guidelines.

The following funding guidelines shall apply to all Crime Control Act funded discretionary assistance awards and Bureau of Justice Assistance (BJA) formula grant program sub-grants, a purpose of which is to support the operation of an intelligence system. Intelligence systems shall only be funded where a grantee/sub-grantee agrees to adhere to the principles set forth above and the project meets the following criteria:

(a) The proposed collection and exchange of criminal intelligence information has been coordinated with and will support ongoing or proposed investigatory or prosecutorial activities relating to specific areas of criminal activity.

(b) The areas of criminal activity for which intelligence information is to be utilized represent a significant and recognized threat to the population and:

(1) Are either undertaken for the purpose of seeking illegal power or profits or pose a threat to the life and property of citizens; and

(2) Involve a significant degree of permanent criminal organization; or

(3) Are not limited to one jurisdiction.

(c) The head of a government agency or an individual with general policy making authority who has been expressly delegated such control and supervision by the head of the agency will retain control and supervision of information collection and dissemination for the criminal intelligence system. This official shall certify in writing that he or she takes full responsibility and will be accountable for the information maintained by and disseminated from the system and that the operation of the system will be in compliance with the principles set forth in §23.20.

(d)(1) Where the system is an inter-jurisdictional criminal intelligence system, the governmental agency which exercises control and supervision over the operation of the system shall require that the head of that agency or an individual with general policy making authority who has been expressly delegated such control and supervision by the head of the agency:

(i) Assume official responsibility and accountability for actions taken in the name of the joint entity, and

(ii) Certify in writing that the official takes full responsibility and will be accountable for insuring that the information transmitted to the inter-jurisdictional system or to participating agencies will be in compliance with the principles set forth in §23.20.

(2) The principles set forth in §23.20 shall be made part of the by-laws or operating procedures for that system. Each participating agency, as a condition of participation, must accept in writing those principles which govern the submission, maintenance and dissemination of information included as part of the inter-jurisdictional system.

(e) Intelligence information will be collected, maintained and disseminated primarily for State and local law enforcement efforts, including efforts involving Federal participation.

§ 23.40 Monitoring and auditing of grants for the funding of intelligence systems.

(a) Awards for the funding of intelligence systems will receive specialized monitoring and audit in accordance with a plan designed to insure compliance with operating principles as set forth in §23.20. The plan shall be approved prior to award of funds.

(b) All such awards shall be subject to a special condition requiring compliance with the principles set forth in §23.20.

(c) An annual notice will be published by OJP which will indicate the existence and the objective of all systems for the continuing inter-jurisdictional exchange of criminal intelligence information which are subject to the 28 CFR Part 23 Criminal Intelligence Systems Policies.

For More Information:

U.S. Department of Justice
Office of Community Oriented Policing Services
1100 Vermont Avenue, NW
Washington, D.C. 20530

To obtain details on COPS programs, call the
U.S. Department of Justice Response Center at 1.800.421.6770.

Visit the COPS internet web site:
www.usdoj.gov/cops

Updated: October 4, 1999
Created: September 8, 1999
e099900017