



**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF INTERGOVERNMENTAL SERVICES**

**GRANTS MANAGEMENT**  
**POLICIES AND PROCEDURES MANUAL**

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## GENERAL INFORMATION

### Introduction

This manual sets forth administrative and financial policies and procedures for the staff of the Arkansas Department of Finance Administration, Office of Intergovernmental Services (DFA/IGS) to use in the administration of grant programs and funds. The manual also serves as an internal office resource in establishing sound, effective business management to assure that funds are properly accounted for and used only for the purposes for which they were awarded. It is designed to cover the subjects most pertinent to the management of DFA/IGS State and Federal awards and sub-grants. The manual is not designed to be all encompassing, but to complement existing State and Federal rules, regulations and guidance relevant to the underlying State and Federal programs.

### Mission Statement

The Arkansas Department of Finance and Administration Management Services Division provides leadership and assistance to all State agencies to ensure uniformity, accountability and efficiency in the management of human, financial and material resources necessary for those agencies to perform their missions. The goal of the Office of Intergovernmental Services is to provide the same leadership and assistance to recipients of grants under programs administered by DFA/IGS while maintaining the integrity of the programs in accordance with the requirements of awarding authorities.

#### **This mission is best served by:**

- development, implementation and maintenance of sound management practices to ensure delivery of excellent fiscal and grant management services to funding agencies and to sub-grantees;
- enhancing communications and cost savings where possible between State agencies and local governmental units in the areas of grant funding and information technology; and
- providing consultation/technical assistance to State and local units of government and to private, not-for-profit organizations for the purpose of meeting the requirements of their awards.

## GRANT PROGRAMS

DFA/IGS serves as the State Administering Agency (SAA) for the following grant programs. DFA/IGS provides management and oversight in accordance with pertinent State and Federal statutes, OMB circulars (<http://www.whitehouse.gov/omb/circulars/index.html>), funding agency program guidelines, and related sources. In addition DFA/IGS is authorized to impose additional terms and conditions on grants awarded to sub-grantees as necessary to enhance the underlying programs.

### **EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM (JAG)**

These Federal funds may be used to provide funding to State agencies and local units of government, for the implementation of law enforcement programs; prosecution and court programs; prevention and education programs; corrections and community corrections programs; drug treatment programs; and planning, evaluation, and technology improvement programs. Projects that address enforcement of laws relating to the production, possession or sale of controlled substances are the primary focus. Examples of projects funded include: drug task forces (enabling law enforcement agencies in a region to unite and share resources to reduce drug related crime); drug abuse resistance education (using specially trained law enforcement officers to instruct school children in the dangers of drug abuse and help them develop coping skills to resist the use of drugs); eradication of sources of drug production; improvement of drug analysis techniques for Arkansas State Police laboratories; and drug testing and treatment programs for probationers, parolees and inmates to prevent recidivism. State agencies and local units of government are eligible to apply for these funds

### **VICTIMS OF CRIME ACT FORMULA PROGRAM (VOCA)**

These Federal funds may be used by public agencies and not-for-profit organizations that provide direct services to victims of crime. Priority is given to projects that provide services to victims of child abuse, sexual assault, and domestic violence. In addition to these priority categories, the VOCA program funds projects that serve other groups such as victims of burglary or theft, survivors of victims of homicide, victims of drug and alcohol-related crime, elderly victims, and adult survivors of incest. Services to these groups focus on crisis intervention and assistance in obtaining benefits from compensation programs. State agencies, local units of government, and private not-for-profit organizations may apply for these funds.

### **STOP VIOLENCE AGAINST WOMEN ACT PROGRAM (STOP)**

These Federal funds may be used by State agencies and local units of government, private not-for-profit organizations, law enforcement, and prosecutors that provide victim services programs to adult female victims of domestic violence and sexual assault. Priority is given to victim advocacy services. State agencies, local units of government and private not-for-profit organizations may apply for these funds.

### **FAMILY VIOLENCE PREVENTION AND SERVICES ACT PROGRAM (FVPSA)**

Federal grant funds are awarded to the State of Arkansas to support programs and projects statewide that establish, maintain and expand programs and projects to prevent family violence and to provide immediate shelter and related assistance for victims of family violence and their dependents. Local public agencies and nonprofit private organizations (including religious and charitable organizations and voluntary associations) may apply for these funds. Examples of eligible participants include, but are not limited to, domestic violence shelters and community-based outreach programs that provide victim advocacy and intervention, employment training, prevention services (including school-based prevention projects), parenting skills development and other educational services.

### **LOCAL LAW ENFORCEMENT BLOCK GRANTS PROGRAM (LLEBG)**

Federal grant funds are made available to cities and counties to support law enforcement agencies through the hiring of officers, paying officer overtime, purchasing law enforcement equipment, enhancing school security, drug courts, adjudication of violent offenders, multijurisdictional task forces, crime prevention, and indemnification insurance. Grant funds processed through the State support small cities and counties that do not receive direct grants for the same purposes from the Department of Justice. Federal grant funds may pay for 90 percent of project costs. Funds from this program are directed toward reducing violent crime. For all cities and counties that report Part 1 violent crimes to the ACIC using the National Incident Based Reporting System (NIBRS), a three-year average is developed. Cities and counties that do not receive direct Federal grants are eligible for State processed grants based on their average of reported violent crimes.

### **PAUL COVERDELL NATIONAL FORENSIC SCIENCE PROGRAM**

The Paul Coverdell Forensic Science Improvement Grants Program (the Coverdell program) awards grants to states and units of local government to help improve the quality and timeliness of forensic science and medical examiner services. Among other things, funds may be used to eliminate a backlog in the analysis of forensic evidence and to train and employ forensic laboratory personnel, as needed, to eliminate such a backlog. States may apply for both “base” (formula) and competitive funds. Units of local government may apply for competitive funds.

### **RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS PROGRAM (RSAT)**

The RSAT Program assists states and local governments in developing and implementing substance abuse treatment programs in state and local correctional and detention facilities and to create and maintain community-based aftercare services for offenders. The goal of the RSAT Program is to break the cycle of drugs and violence by reducing the demand for, use, and trafficking of illegal drugs. Three types of programs may be implemented from RSAT funds. They are residential, jail based, and aftercare. Applicants must have the capability to house program participants in facilities that are segregated from the general population. Treatment must be provided for at least six months and no longer than twelve months. Eligible participants are State/local agencies that operate and maintain correctional facilities. These agencies must be responsible for

offenders who have a documented substance abuse problem and must have the capability of housing the offenders for a period of time sufficient to complete a treatment program.

### **SEXUAL ASSAULT SERVICES PROGRAM (SASP)**

The Sexual Assault Services Program (SASP) is the first federal funding stream dedicated solely to the provision of direct intervention and related assistance for victims of sexual assault. The purpose of SASP is to provide intervention, advocacy, accompaniment, support services and related assistance for adult, youth, and child victims of sexual assault, family and household members of victims, and those collaterally affected by the sexual assault.

### **STATE DRUG CRIME ENFORCEMENT AND PROSECUTION FUND (DCF)**

The State Drug Crime Enforcement and Prosecution Fund (DCF) was created by A.C.A. §12-17-101, et seq. These funds are used for the funding of state grant awards to multijurisdictional drug crime task forces (DTF), for the investigation and prosecution of drug crimes within the State of Arkansas. The goal of this program is to identify, arrest, and prosecute persons engaged in gang and drug-related crime in a collaborative, cost-effective, and safe manner. Participating agencies coordinate efforts, share resources and exchange information, disrupting cross-jurisdictional crimes such as violent or gang-related activity and the flow of illicit drugs.

The above programs are available on a competitive basis to appropriate agencies and/or organizations that qualify under State and Federal guidelines and regulations.

Most of the programs listed above provide a specified amount of funds for grant administration costs. DFA/IGS uses these funds to pay for salaries, travel and other costs related to staff who support the grant programs.

## FUNDING ANNOUNCEMENT

### **Policy**

DFA/IGS releases program/funding announcements or solicitations for each of its grant programs to provide a brief description of the funding opportunity and other important information.

### **Procedure**

#### **Program/funding Announcements**

DFA/IGS will announce the availability of State and Federal funds following notification from the awarding authority that funds are available and/or awarded to the State for the purpose specified. The announcement may take the form of written notification, notification via newspapers, radio and/or web site. Announcements will include the application receipt deadline dates and other pertinent information necessary for completion of the application.

Program/funding announcements can be found at the DFA/IGS website: <http://www.dfa.arkansas.gov/offices/intergovernmentalServices/Pages/default.aspx>).

The following types of information can be found in the program guidance/solicitation packages for each specific program:

- Deadlines (Letters of Intent, Registration, Application)
- Eligibility
- Program- Specific Information (Award Period, Award Amount, Scope, Unallowable Activities)
- Performance Measures
- How to Apply
- What an Application Must Include
- Selection Criteria
- Review Process
- Additional Requirements
- Application Checklist

### **Eligible Recipients**

Potential applicants should review the program solicitations for more specific detail on eligibility. It is very important that applicants review this information carefully. Applications that are submitted by ineligible entities will be removed from further consideration during the initial review process.

### **Dun & Bradstreet Data Universal Numbering System (DUNS)**

All entity grant applicants must have a DUNS number when applying for Federal grants and cooperative agreements. Organizations may receive a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711. Additional information can be found at <http://fedgov.dnb.com/webform>. Individuals who apply for grant awards or cooperative agreements from the Federal Government are exempt from this requirement.



## GRANT APPLICATION PROCESS

### **Policy:**

Applications for each program are submitted to DFA/IGS within the time frame required by each program. Applications for each program administered by DFA/IGS may be obtained from the DFA/IGS website. The submitted application must follow the specific instructions contained in the RFP.

### **Procedure**

#### **Application Submission**

Applicants must meet the eligibility requirements stated in the RFP in order to be considered for an award. The basic requirements for the submission of an application are:

- Submit completed application with all appropriate forms and certifications
- Authorized official must be the highest ranking official of the entity and must sign the application
- Application must be submitted by mail with a postmark no later than the due date stated in the RFP or hand delivered to the DFA/IGS office in Little Rock, Arkansas. All signatures must be in **BLUE INK**.

Upon successful submission of an application, DFA/IGS will send a confirmation e-mail to the applicant. Incomplete applications may not be considered for funding.

#### **Pre-Application Technical Support**

In most programs DFA/IGS will conduct a technical support meeting for interested applicants of open solicitations either by on-line webinar, conference call or live meeting. All questions submitted by perspective applicants will be made available on the DFA/IGS website to provide consistent information to all interested parties. Deadlines for the submission of questions vary by program.

#### **Application Review Process**

DFA/IGS performs programmatic and financial review of complete applications. Applications are reviewed by appropriate DFA/IGS staff and may be reviewed by an independent review committee. Applicants are encouraged to follow the guidelines established in the specific program.

#### **Review Of Federal Assistance Form (SF 424)**

DFA/IGS will examine the Application for Federal Assistance (SF-424) to determine:

1. Type of Applicant – This information is used to determine eligibility for the program. Examples include state government, individual, not-for-profit with 501C3 status or private institution of higher education.

2. Legal Name – The legal name is reviewed and used to determine if the applicant organization is a current DOJ recipient or a new applicant.
3. Organizational DUNS – DFA/IGS verifies that the applicant’s DUNS is registered and active within the CCR and the organization’s registration matches the application and DOJ records (for current recipients).
4. Address –The address is reviewed together with the legal name and DUNS number to determine if the applicant is a current DOJ grantee or a new applicant.
5. EIN/Vendor No. – If it is determined that the applicant organization is a new applicant, then in coordination with OJP, DFA/IGS will assign the organization an “OJP Vendor Number” for administrative purposes only. This number is used to track awards, payments, and reports in DOJ’s accounting and grant systems. The OJP Vendor Number can be found on the grant award document in box 1A and may or may not match the organization’s EIN.
6. Applicant Federal Debt (OMB Circular A-129) - DFA/IGS holds recipients accountable for any overpayment, audit disallowances, or any other breach of award that results in a debt owed to the Federal government. The Debt Collection Improvement Act of 1996 states that if, after written notification, grantee payments continue to be delinquent, the debt will be referred to a collection agency or Department of the Treasury for further action. The awarding agency shall apply interest, penalties, and administrative costs to a delinquent debt owed by a debtor pursuant to the Federal Claims Collection Standards and OMB Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables. The SF-424 includes a question about whether there is Federal debt. That question applies to the organization requesting the financial assistance, not the person who signs the application as the authorized representative of the organization. Categories of debt include delinquent audit disallowances, loans, and taxes.
7. Intergovernmental Review of Federal Programs - If the State has established a process for the review of Federal programs and activities eligible under Executive Order 12372 and a particular program has been selected for review by the State, applicants for the program must submit a copy of their application to the State “single point of contact” (SPOC) – Arkansas State Clearinghouse - before the application is submitted to DFA/IGS. Information on the Intergovernmental Review (SPOC List) may be found at [http://www.whitehouse.gov/omb/grants\\_spoc](http://www.whitehouse.gov/omb/grants_spoc).
8. Authorized Official - DFA/IGS verifies that the individual listed as the Authorized Official on the application is authorized to apply for and accept awards on behalf of the applicant organization.

9. Federal Debt - Before a grant can be awarded, the applicant entity must certify that it is not delinquent in any Federal debt. Entities with judgments or liens for Federal debts are ineligible to receive Federal grant funds.

### **Financial Analysis**

DFA/IGS awards funds only for allowable, allocable, necessary and reasonable costs in accordance with the underlying program.

Applicants must demonstrate the responsibility, financial management capacity and fiscal integrity necessary to adequately and appropriately manage awarded funds. DFA/IGS financial analysis of project applications includes:

#### **1) Budget Review**

- (a) Perform a cost analysis of the project budget submitted in the application. Cost analysis includes obtaining cost breakdowns, verifying cost data, and evaluating specific items of cost to determine the necessity, reasonableness, allowability, allocability, and appropriateness of the cost as it relates to the proposed project. The form and extent of such an analysis will be determined by DFA/IGS.
- (b) Verify if the program has a match requirement. If so, make sure that the match requirement will be met.

#### **2) Financial Capability Review – Determine the adequacy of the applicant’s accounting system and operations to ensure that State or Federal funds, if awarded, will be expended in accordance with the approved budget. DFA/IGS assesses the applicant’s ability to appropriately manage grant funds by utilizing the following:**

- (a) Applicants are required to respond to the Financial Accounting Practices questions, as instructed in the individual program solicitations.
- (b) Where the applicant is a nonprofit, nongovernmental entity and has no grant history with DFA/IGS within the last three years, an Accounting System and Financial Capability Questionnaire must be completed by the applicant.
- (c) DFA/IGS will search the Federal Clearinghouse Database and the Arkansas Legislative Audit Database (see Appendix) for audit findings related to the applicant entity.

#### **3) Fiscal Integrity Review - Determine if the applicant organization has a history of responsible handling of grant funds.**

(a) Verify by certification of the authorized official that the entity has successfully complied with the requirements of other funding authorities (if applicable) and no findings of noncompliance have been communicated in writing.

(b) Verify timely submission of programmatic/progress reports if the entity is a previous sub-grantee of DFA/IGS.

4) Financial Risk Review - An organization may be designated as high risk if the sub-grantee:

1) has a history of unsatisfactory performance or has not conformed to the terms and conditions of previous DFA/IGS grants;

2) is determined not to be financially stable;

3) has an accounting system that does not meet the standards set forth in 28 CFR 66.20 (standards for financial management systems):

- Accounting system does not permit preparation of reports required by the statutes authorizing the grant, or
- does not permit the tracking of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.
- Sub-grantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to sub-grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

4) is determined to have unresolved findings from Single Audit reports, Office of the Inspector General (OIG) audits, or State Legislative audits;

5) is on the list of sub-grantees that are currently barred from receiving funding from any Federal Funding Authority; and/or

6) owes a Federal debt up to and including delinquent audit disallowances, loans, taxes and any outstanding debt with the Treasury.

Additional restrictions or conditions may be included on awards to grant recipients that are designated as high risk.

Excluded Parties List System (EPLS) – DFA/IGS verifies that the applicant organization is not excluded or disqualified from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits, pursuant to the provisions of 31 USC 6101, note, E.O. 12549, E.O. 12689, 48 CFR 9.404, and each

agency's codification of the Common Rule for Nonprocurement suspension and debarment. <https://www.epls.gov/>.

### **Decision**

Upon final determination of the applicant's request for funding, DFA/IGS shall provide written notification to the applicant of its decision to:

- Reject the application;
- Approve the application; or
- Approve the application with modifications and/or additional special conditions.

### **Application Approval**

Applications approved for funding will be finalized in a grant award document to the sub-grantee. The award acceptance is complete upon the execution of the award document by both the sub-grantee and the IGS Administrator and upon DFA/IGS receipt of all required documents.

### **Appeal Process**

An applicant may request reconsideration of the rejected application by sending a letter to the IGS Administrator.

Applicants receiving notification of denial must exercise their right to request reconsideration in writing within the time frame specified in the program. Reconsideration requests are limited to the reasons documented in the denial notification letter. Review will be based on the originally submitted documentation with the application; new documentation will not be accepted as part of the reconsideration process. The applicant will be notified in writing of the DFA/IGS final decision regarding their appeal.

Applicants recommended for funding at a reduced amount will be allowed the opportunity to restructure their project budget if needed. The reduced funding amount is not subject to reconsideration.

DFA/IGS reserves the right to reject any and all applications, to waive informalities and minor irregularities in the application received and to accept any portion of the application for funding if deemed to be in the interest of the State of Arkansas and the funded program to do so.

DFA/IGS at its sole discretion may decide to continue award funding for a successive term. Continuation of funding beyond the initial grant period will be based on the success of the program and the availability of funds.

DFA/IGS has the right to use, duplicate or disclose any computer programs, writing, sound recordings, pictures, drawings or other graphical representation created by a federally funded project.

## STATE CLEARINGHOUSE AND PUBLIC NOTICE

### **Policy**

As the Single Point of Contact (SPOC) for all grant applications, the State Clearinghouse timely and accurately publishes notice of grant applications and awards according to State statutes and requirements.

### **Procedure**

#### **Single Point of Contact (SPOC)**

All applicants requesting Federal grant funds from any source are required by State Act 498 of 1983 and Federal Executive Order 12372 of 1982 to submit a copy of their complete application to the State Clearinghouse for review and comment. The process has been created to allow those who were not in the planning stages of the application to be able to voice an opinion or make recommendations about a project, should they so desire, to eliminate the duplication of effort by more than one agency and to be a mechanism that informs the public of project activity throughout the State.

As a result of Executive Order 12372 of 1982 and Act 498 of 1983, all State agencies, boards, commissions, departments, or institutions of higher learning to include corporations and not-for-profit foundations, water, sewer and school districts requesting funds from any State or Federal agency must submit a copy of all applications to the State Clearinghouse at the same time as submission to the funding agency.

The request must include the following:

- Standard Form (SF) 424 (Application for Federal/State Assistance)
- Project Narrative
- Proposed Budget Information
- Site location map, if construction, or water or waste-water projects

#### **Submission Process**

All State agencies shall also submit Supplementary Grant Information Form (CH1) and State Clearinghouse Application Supplemental Form (CH2) along with other required application documents. State agencies that are able to provide sub-grants to other State agencies, local governments, and other organizations will need to submit copies of those proposals to the State Clearinghouse as well as to the Area Wide Clearinghouse agencies.

There are 13 Area Wide or Regional Clearinghouses throughout the State of Arkansas; these offices are located in the Planning & Development District and/or Regional Planning Commission offices. These offices serve as the local Clearinghouse for a number of counties in their area or region. (See Appendix.) Upon receipt of the aforementioned documents by the State Clearinghouse, the application will be assigned a State Application Identification Number (SAI). A letter acknowledging receipt will be sent to the requesting applicant/agency.

## GRANT AWARD

### Policy

DFA/IGS notifies all sub-grantees of award approval and the amount approved, and provides them with a Sub-Grant Award Agreement.

### Procedure

After an award has been signed by DFA/IGS, the amount of the award is considered an obligation of the Federal program and is recorded as such in DFA/IGS accounting system. Appropriated funds are thereby reserved against the award until all monies are expended by the sub-grantee or, in the case of non-utilization of funds within statutory or other time limits, appropriated funds revert to DFA/IGS through de-obligation of the unused balance.

### Obligation Process

Upon acceptance of an official award, the State and Federal (non-match) portion of the award is considered an obligation of DFA/IGS. Appropriated funds are reserved until all monies are expended by the sub-grantee or de-obligated through DFA/IGS action. In the case of non-utilization of funds, appropriated funds revert to DFA/IGS.

DFA/IGS will notify the sub-grantee of award approval. Once the award has been accepted, in order to receive payment of funds continuing recipients must be in compliance with award conditions enumerated in the award document. In addition, they must be in compliance with all reporting requirements. All sub-grantees are required to submit Federal Financial Reports (SF-425) for each grant on a quarterly basis for the life of the grant. Also, progress reports are required on a semi-annual basis for discretionary grants and on an annual basis for formula awards. Funds will not be disbursed if reports are delinquent.

### Acceptance Procedures

A Sub-grant Award Agreement will be provided to successful applicants. The documents must be signed by the sub-grantee's Authorized Representative in **BLUE INK** and returned to DFA/IGS no later than five (5) business days after receipt by the sub-grantee. By signing the Sub-grant Award Agreement document the sub-grantee agrees to all grant conditions.

Failure to submit the required Sub-grant Award Agreement documents in acceptance of the grant award within 15 business days from the date of written notice may result in rescission of the offer of award.

## CONDITIONS OF AWARD

### **Policy**

DFA/IGS establishes general and/or special conditions for all sub-grants, in compliance with the State or Federal requirements and guidelines, to include the procedures below. These conditions must be met to avoid possible termination of the sub-grant.

### **Procedure**

**General and Special Conditions.** General and Special Conditions include terms and conditions of the award. All awards will include general conditions requiring (1) compliance with provisions as set forth by Federal regulations and the grant management policies and procedures; and (2) compliance with audit requirements. Failure to comply with any general or special condition may result in the withholding of funds up to and including termination of the sub-grant.

- If a project is not operational within 30 business days of the original start date of the sub-grant, the sub-grantee must report by letter to DFA/IGS the steps taken to initiate the project, the reasons for the delay, and the expected start date.
- If a project is not operational within a reasonable period beyond 30 days, DFA/IGS may take other actions as deemed appropriate up to and including termination of the sub-grant.

### **DFA/IGS Technical Assistance Requirements**

When an award is made, DFA/IGS may require the financial officer and/or the project director of the sub-grantee organization to attend sub-grant training provided by DFA/IGS. The time and location of the training will be designated by DFA/IGS. Training may be required as a special condition of a sub-grant.



## ACCOUNTING SYSTEMS AND FINANCIAL RECORDS

### **Policy:**

DFA/IGS follows Generally Accepted Accounting Principles as well as State and Federal laws and guidelines in regard to all grants it administers.

### **Procedure**

#### **Accounting System**

An adequate accounting system shall provide for the following:

- (1) Accurate, current and complete disclosure of the financial results of each federally-sponsored project or program.
- (2) Records that identify adequately the source and use of funds for federally-sponsored activities. These records shall contain information pertaining to the DFA/IGS- issued awards, related Federal programs, approved budget, expenditures, unspent balances, assets purchased, and any other outlays of federal funds.
- (3) Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and insure they are used solely for the purposes authorized by the Federal funding agency.
- (4) Comparison of outlays with budget amounts for each award. Whenever appropriate, financial information should be related to performance and unit cost data.

All sub-grantees receiving grant funds through DFA/IGS shall establish and maintain accounting systems and financial records to accurately account for funds awarded to them. These records shall include both State and Federal funds and where applicable matching funds.

#### **Cash Management Improvement Act of 1990**

Pursuant to the Cash Management Improvement Act of 1990, 31 U.S.C. 6503, states are no longer exempted from payment of interest to the Federal Government for drawing down funds prior to the need to pay obligations incurred. The provisions of 31 U.S.C. 6503(c)(1) require that states pay interest in the event that they drawdown funds before the funds are needed to pay for program expenses.

In order to minimize the amount of cash on hand, grant recipients should request funds based upon immediate disbursement/reimbursement requirements. Funds will not be paid in a lump sum, but rather disbursed over time as project costs are incurred or anticipated. Recipients should request disbursements/reimbursements only for costs previously paid. Only on rare occasions will disbursement be granted for costs incurred but not yet paid. Such disbursement amounts to a cash advance and will require special request forms and approval of the DFA/IGS Administrator.

### **Commingling of Funds**

As used in this part, *commingle* means depositing or recording funds in a general account without the ability to identify each specific source of funds for any expenditure. Commingling is prohibited. Funds from each Federal, State, local, and private funding source must be identified with a clear audit trail for each source. The accounting systems of all sub-grantees must ensure that grant funds are not commingled with funds from other State or Federal agencies or private entities. Funds specifically budgeted and/or received for one project may not be used to support another.

## SUB-GRANTEE ACCOUNTABILITY

### Policy

DFA/IGS in its fiduciary capacity as the State Administering Agency ensures that grant money is used appropriately and requires proper accountability from the recipients of its awards.

### Procedure

#### Financial Management Standards

Many alternative methods exist for implementing financial management systems, and each sub-grantee agency should choose methods appropriate for its particular operations. However, the sub-grantee financial management system must meet, at a minimum, the standards that are listed below:

- Accounting system must provide for separate tracking of receipts and disbursements by fund source and accurate and complete information about all financial transactions related to each DFA/IGS funded project.
- Accounting records are to be maintained, reconciled and current.
- Grant expenditure records must be at least as detailed as the cost categories indicated in the approved budget and allow for actual expenditures to be compared with budgeted amounts.
- Records must indicate that costs are incurred during the grant period.
- The records must be supported by source documentation such as canceled checks, invoices, contracts, travel reports, donor letters, in-kind contribution reports and personnel activity reports.
- Time and effort reporting must be provided for each grant-funded employee. Time and effort reports must account for 100% of employee work hours – not only those hours charged to the sub-grant. Time and effort reports must be signed by the employee or supervisory official having firsthand knowledge of the work performed.
- Contributions donated to a project such as property, space, or services shall be valued in accordance with Federal cost principles. The value of the donated services may be used to meet cost sharing or matching requirements under conditions described in Circular A-110.
- Records must clearly indicate the source of match. Match requirements must be provided from non-Federal sources.

### **Internal Control Standards**

Sub-grantees must provide safeguards for all grant property, whether cash or other assets, and assure that it is used solely for authorized purposes.

### **Internal Controls - Examples**

- Cash receipts should be recorded immediately and deposited daily.
- Bank accounts should be reconciled monthly by someone other than the person who signs the checks.
- Checks to vendors should be issued only in payment of approved invoices, and the supporting documents should be attached.
- The person who is responsible for the physical custody of an asset should not also have responsibility for keeping the records related to that asset.
- The person who has authority for placing employees on the payroll and establishing wage rates should not be the same person who signs the checks.

Other recommended internal control standards may be found at A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) which require that non-Federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements.

See Appendix/Links regarding OMB Circulars.

## PROJECT BUDGET

### Policy:

DFA/IGS performs formal review and accounting for all approved sub-grant budgets submitted as part of the application.

### Procedure

The following are samples of **Budget Categories** that are regularly included on sub-grant awards and on sub-grantee reimbursement reports.

Personnel – Grant funds may be used to compensate personnel for time engaged in the project as stated in the grant application.

- Each position must be listed by title and hourly pay rate for the employee, the percentage of the employee's time to be devoted to the project and total employee cost for the project.
- Salaries must be based on compensation for similar services at the local job market rate and must be consistent with salaries for similar positions within the sub-grantee agency.
- Overtime pay for personnel whose duties are consistent with the project's goals and objectives may be funded in some cases. Overtime pay must be approved through the original grant application prior to expenditure. Overtime payments are not applicable to all DFA/IGS programs.
- Benefits such as health insurance and other fringe benefits provided by the sub-grantee for employee(s) assigned to the project are allowable costs. Insurance and benefits must be accorded consistent treatment for federally and non-federally funded employees.
- Vacation and other leave costs for federally funded positions are allowable as long as they are consistent with the agency's policy on vacation and leave.

Contractual Services - Grant funds may be used to pay for professional or consultant services if allowed under the specific program. Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill and who are not officers or employees of the sub-grant organization are allowable when they are reasonable and in relation to the services rendered. Payment for consultant services should be comparable to the normal or customary fees charged and received by the consultant for comparable services. Professional services fees may be limited to specified maximums per the Office of Justice Programs Financial Guide. See the current *OJP Financial Guide* <http://www.ojp.usdoj.gov/financialguide/>, U.S. Department of Education guidance, or related sources.

Travel - See **TRAVEL POLICY** section below.

Operating Expenses - Operating expenses include but are not limited to items necessary for the ongoing operation of the project such as rent, office supplies, training materials, printing costs, postage, telephone and utilities. Each item should be separately listed and identified on the budget page of the application. Specific itemization of each type of expense with basis of computation should be provided in the budget and/or budget narrative.

Publications and Press Releases - Sub-grantees who publicize as part of a grant to print a training manual, newsletter or other publication are required to acknowledge the Federal program and source of funding:

- An acknowledgement of agency assistance and/or support shall be conspicuously printed in any grant-related sub-grantee publication and may be made through use of the following or comparable footnote: "This project was supported by Grant No. (insert correct grant number) awarded by DFA/IGS and the (insert name of federal funding agency)."

Equipment - Requests for equipment and hardware will be considered if the purchase or acquisition is a necessary element of an eligible project.

- Each item of equipment and hardware requested should be separately listed on the application budget page with unit costs and explanation of usage for the equipment. State procurement policy or Federal funding agency procurement policy, if more restrictive, must be used.
- Under the Justice Assistance programs, requests for equipment may be made separately from any other project, provided that the equipment requested is directly related to enforcement. (Examples include in-car camera, portable breath-testing machines, etc.)

Training - Applicants may request funds to attend or conduct training, as allowed by specific grant programs. Awards for training costs will be based on the limitations of the Federal program and governing guidance, overall availability of funds, and purpose area (or target use) of grant funding within the State.

## ALLOWABLE COSTS

### **Policy**

DFA/IGS follows the Federal principles as prescribed by the US Office of Management and Budget (OMB) in circulars A-87, A-122 and A-110 regarding allowable costs. [http://www.whitehouse.gov/omb/circulars\\_default](http://www.whitehouse.gov/omb/circulars_default). Costs submitted to DFA/IGS for reimbursement must be allowable, allocable, and reasonable.

### **Procedure**

#### **Basic Guidelines**

To determine whether costs are allowable for State or Federal grants, costs must meet the following general criteria:

- Be necessary and reasonable for proper and efficient administration of the project;
- Be authorized and not prohibited under federal, state and local laws or regulations;
- Be consistent with policies, regulations, and procedures that apply uniformly to both federally assisted and other activities of the program of which the sub-grantee is a part;
- Be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances;
- Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the sub-grant, or other governing regulations as to types or amounts of cost items;
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period;
- Be the net of all applicable credits; and
- Be adequately documented.

Certain grants may preclude certain types or items of cost, or have other unique budget requirements. Applicants should contact DFA/IGS staff about any questionable items prior to application submission.

## NON-ALLOWABLE COSTS

### **Policy**

Grant funds may only be used for allowable costs. Non-allowable costs cannot be charged directly or indirectly to a Federal grant.

### **Procedure**

Construction Limitation - No grant funds shall be used for the purpose of land acquisition or construction. Grants funds shall not be used for repair or renovation of buildings or facilities without prior written approval from DFA/IGS.

Non-Supplanting Limitation - Grant funds may not be used to supplant State or local funds. All applicants must certify that grant monies will not be used to replace state or local funds that would, in the absence of such State or Federal assistance, be made available for the same purpose.

Indirect Costs - The *OJP Financial Guide* defines indirect costs as follows:

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

DFA/IGS sub-grants are issued for costs directly associated with the underlying project. As such, indirect costs are not chargeable to the sub-grant.



## REPORTING REQUIREMENTS

### **Policy**

DFA/IGS requires sub-grantees to submit both financial and program reports describing the status of the funds, the status of the project, a comparison of actual accomplishments to the objectives, the reason(s) goals have not been met, and/or other pertinent information. The specific requirements, reporting periods and submission deadlines are detailed in the program guidance and/or terms and conditions of the award.

### **Future awards, fund draw-downs, and modification approvals may be withheld if financial and/or program reports are delinquent.**

When financial reports or progress reports are delinquent, a hold will be placed on grant funds until the delinquent reports have been submitted. Also, DFA/IGS may, at its discretion, prohibit or restrict funds for any new awards or delay processing any Grant Adjustment Notices until the sub-grantee is in administrative/financial compliance with the reporting requirements by submitting all outstanding reports.

### **Procedure**

#### **Reimbursement Workbook**

Each sub-grant organization will be required to utilize a reimbursement workbook provided by DFA/IGS for each grant award. It is an Excel document customized for the individual sub-grant and it tracks information specific to the sub-grantee and their award. The workbook is designed to calculate grant balances automatically based on the approved budget. It contains the forms that the sub-grantee will use to request reimbursement of costs. The financial officer and/or the project director of the sub-grant organization will be required to attend training provided by DFA/IGS prior to the beginning of the grant period. DFA/IGS will provide the workbook to the sub-grantee organization at the beginning of the grant year.

#### **Financial Reporting Procedures**

Financial reporting forms are contained in the customized workbook. Each sub-grantee is required to file financial reports with DFA/IGS via the workbook at least quarterly. If DFA/IGS determines that a sub-grantee's reporting has been consistently late or incorrect, the sub-grantee may be required to submit financial reports on a monthly basis. The reports must contain all expenditures incurred by the sub-grantee for the current reporting period and all expenditures that were reported previously. Back-up documentation for expenditures must be retained and will be randomly requested or reviewed during site monitoring visits by DFA/IGS program/financial staff. Financial reports shall be signed by the organization's Authorized (or "Acting") Representative.

#### **Program Reporting Procedures**

Program reporting forms are also contained in the customized workbook. Each sub-grantee is required to file periodic progress reports with DFA/IGS. Depending on the grant program, these reports may be semi-annual, quarterly and/or monthly. These

reports include project data and a narrative summary that includes information relevant to the performance of a project.

**Final Project Reports**

Using the form provided in the customized workbook, each sub-grantee is required to file a final report (progress and financial) that contains cumulative information on project data, activities, and expenditures. DFA/IGS uses these reports to meet its reporting requirements to Federal funding agencies.

## MATCH REQUIREMENTS

### **Policy**

Sub-grantees are required to provide a match in accordance with their award agreement.

### **Procedure**

#### **Match Requirements**

A matching or cost sharing requirement may be satisfied by either or both of the following:

- 1) Allowable costs incurred by the sub-grantee or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-Federal grants or by other cash donations from non-Federal third parties.
- 2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies.

#### **Types Of Match**

- 1) Cash match (also referred to as “hard” match) means the sub-grantee’s non-Federal cash outlay including the outlay or money contributed to the sub-grantee by other public agencies, institutions, private organizations and individuals spent for project-related costs.
- 2) In-kind match (also referred to as “soft” match) means the value of non-cash contributions provided by non-Federal third parties. Third party contributions may be in the form of real property, equipment, supplies, and other expendable property and the value of goods and services directly benefiting and specifically identifiable to the project or program.

#### **The following qualifications and exceptions apply:**

- a) Only non-Federal funds may be used towards match.
- b) Match cannot include costs or contributions counted toward other awards.

#### **The following should be considered in determining the valuation of donated goods and services:**

- 1) Donated Services -
  - a) Volunteer services - Unpaid services provided to a sub-grantee by individuals will be valued at rates consistent with those ordinarily paid for similar work in the sub-grantee's organization. If the sub-grantee does not have employees performing similar work, the rates will be consistent with those ordinarily paid by other employers for similar work in the same labor market. In either case, a reasonable amount for fringe benefits may be included in the valuation. Volunteers involved in the project, such as

trainers and speakers, pro bono attorneys and other professionals, hotline volunteers, and people volunteering to give public presentations about the program, may be used as match.

b) Employees of other organizations - When an employer other than a sub-grantee or cost-type contractor furnishes free of charge the services of an employee in the employee's normal line of work, the services will be valued at the employee's regular rate of pay exclusive of the employee's fringe benefits and overhead costs. If the services are in a different line of work, paragraph (c)(1) of this section applies.

## 2) Donated supplies, loaned equipment or space -

a) If a third party donates supplies, the contribution will be valued at the market value of the supplies at the time of donation.

b) If a third party donates the use of equipment or space in a building but retains title, the contribution will be valued at the fair rental rate of the equipment or space.

3) Donated equipment, buildings, and land - If a third party donates equipment, buildings, or land, and title passes to a sub-grantee, the treatment of the donated property will depend upon the purpose of the grant or sub-grant. If the donated property will be used in the furtherance of the funded project, the market value of that property at the time of donation may be counted as cost sharing or matching.

4) Appraisal of real property - In some cases it will be necessary to establish the market value of land or a building or the fair rental rate of land or of space in a building. In these cases, DFA/IGS may require the market value or fair rental value be set by an independent appraiser.

### **Timing of Matching Contributions**

Matching contributions need not be applied in exact proportion to the obligation of the Federal funds. However, the full matching share must be met by the end of the award period.

NOTE: The most common error found during the final financial reconciliation of a grant at closeout is the failure to properly report matching funds. The full matching share provided (both cash and in-kind) must be reported using the customized workbook provided by DFA/IGS. Failure to meet matching share will require a refund of grant funds in proportion to unmatched costs.

## PROCUREMENT STANDARDS

### **Policy:**

DFA/IGS follows the Procurement laws established in Arkansas statutes (see Appendix). Sub-grantee organizations may follow their own established procurement regulations or may be required to follow State rules.

### **Procedure**

Sub-grantees shall use their own procurement procedures and regulations, provided that the procurement conforms to applicable Federal law and the standards identified in the Procurement Standards Sections of 28 CFR Parts 66 and 70. In the absence of established standards or if standards do not meet the requirements of 28 CFR Parts 66 and 70, the sub-grantee must follow the State procurement laws and regulations. (See Appendix.)

### **Adequate Competition**

All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition. All sub-grantee sole-source procurements in excess of \$10,000 must receive prior approval by DFA/IGS, and may be required to issue a Request for Proposals (RFP).

### **Non-Competitive Practices**

The sub-grantee shall avoid actual, or the appearance of, organizational conflicts of interest or non-competitive practices among contractors, which may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, and/or RFPs for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to DFA/IGS.

## TRAVEL POLICY

### **Policy:**

DFA/IGS follows the State travel policy (see Appendix), as well as Federal travel regulations applicable to particular grants, and shall ensure compliance by sub-grantees.

### **Procedure**

Grant funds may be used to pay for travel expenses related to operation of the project or for training of project personnel. Travel expenses must meet the following requirements and/or specifications. Additional limitations may be described in individual grant announcements.

- Mileage for automobile travel shall not exceed the rates approved as outlined by DFA/IGS guidelines.
- Lodging will be reimbursed at the actual cost, provided that the most economical facility available is used and a receipt is submitted with the travel reimbursement request. Lodging costs must not exceed the Federal domestic per diem rate for lodging. If the lodging rate exceeds the Federal daily per diem, none of the lodging costs associated with the event would be allowable costs to the award.
- Subsistence (meals, taxes, and tips) must not exceed the Federal daily per diem. Federal daily per diem rates may be found at: <http://www.gsa.gov/portal/category/21287>.

To be eligible for lodging or subsistence (meals, taxes, and tips), an overnight stay is required. Subsistence cannot be claimed for meals included in registration fees.

## PROPERTY MANAGEMENT

### Policy:

DFA/IGS ensures that all sub-grantees utilizing grant funds for the acquisition of property establish and maintain systems for the effective management of such property.

### Procedure

#### Property and Equipment Acquisition/Management

Sub-grantees are required to be prudent in the acquisition and management of property purchased with State and Federal funds.

Minimum requirements for sub-grantee property management:

- Property records must be maintained which include a description of the property, a serial number or other identification number, the source of property, the name of the titleholder, the acquisition date, the cost of the property, the percentage of State or Federal participation in the cost of the property, and the disposition data including the date of disposal and sale price. Approval for disposal of property obtained with grant funds must be obtained from DFA/IGS prior to actual disposal using the form provided for this request.
- A physical inventory of the property must be taken and the results reconciled with the property records at least once every two (2) years.
- A control system must exist to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
- Adequate maintenance procedures must exist to keep the property in good condition.
- If the sub-grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Sub-grantees are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged or destroyed.

When acquiring replacement equipment, the sub-grantee may use the equipment to be replaced as a trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment subject to approval by DFA/IGS.

#### Land Acquisition

Land acquisition costs are not allowable.

## AUDIT REQUIREMENTS

### **Policy:**

DFA/IGS complies with all State and Federal audit standards, and ensures compliance by all sub-grantees.

### **Procedure**

Sub-grantees spending more than \$500,000 in Federal funds in any given fiscal year shall have an audit conducted in accordance with OMB Circular A-133 (commonly known as a Single Audit). Sub-grantees shall adhere to the Single Audit requirements of the Office of Management and Budget circulars located at <http://www.whitehouse.gov/omb/circulars>. Sub-grantees must submit their Single Audit report to DFA/IGS within nine (9) months following the close of the grant fiscal year.

Effective with the grant fiscal year beginning October 1, 2013, DFA/IGS requires that sub-grantees who spend less than \$500,000 of Federal funds within the fiscal year (and therefore are not required to have a Single Audit) are required to provide an independent accountant's report on predetermined procedures as defined by DFA/IGS in the Agreed Upon Procedures (AUP) manual located at the DFA/IGS website: [www.dfa.arkansas.gov/offices/intergovernmentalservices](http://www.dfa.arkansas.gov/offices/intergovernmentalservices). The AUP manual defines the minimum standards that sub-grantee organizations must meet in order to satisfy DFA/IGS audit requirements.

Sub-grantees must submit an independent accountant's audit agreed upon procedures report to DFA/IGS within nine (9) months following the end of the grant's fiscal period. DFA/IGS will contact the sub-grantee for necessary follow up if findings are presented in the accountant's report.



## RECORD KEEPING

### Policy

DFA/IGS follows the State Records Retention Policy, and monitors all sub-grantees to ensure that they follow Federal records retention policies for each grant program.

### Procedure

All financial records, supporting documents, statistical records and all other records pertinent to the grant, sub-grants or contracts under the grant shall be retained by each organization participating in a State or Federal grant program for **A MINIMUM OF THREE (3) YEARS** after written notification by DFA/IGS that the sub-grant has been closed.

The retention requirement extends to books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, cancelled checks, and related documents and records.

- Source documents include copies of all grant awards, applications and required financial and narrative reports.
- Personnel and payroll records shall include the signed time and attendance reports for all individuals included in the project, whether they are employed full-time, part-time, or on a volunteer basis.
- Time and effort reports will be required for consultants.

**The three year (3) retention period starts from the date the sub-grantee receives written notification from DFA/IGS that the grant/sub-grant is officially closed.** If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3 year period, the records must be retained until completion of the action and resolution of all issues which arise from it or until the end of the regular 3 year period, whichever is later.

Sub-grantees must ensure that records of different State and/or Federal fiscal award periods are separately identified and maintained so that information may be readily located. Sub-grantees must also ensure that records are adequately protected against fire or other damage. When records are stored away from the sub-grantees' principal office, a written index must be stored on-site to assure ready access.

### Access to Records

DFA/IGS and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of sub-grantees which are relevant to the grant. The rights of access shall not be limited to the required retention period, but shall last as long as the records are retained.

## TRANSPARENCY

### **Policy**

DFA/IGS complies with all State and Federal transparency requirements.

### **Procedure**

#### **Federal funding Accountability and Transparency Act of 2006**

For awards made after October 1, 2010, recipients (other than individuals) of awards of \$25,000 or more, consistent with the Federal Funding Accountability and Transparency Act of 2006 (FFATA) will be required to report award information on any first-tier sub-grants totaling \$25,000 or more. In certain cases they may also be required to report information on the names and total compensation of the five most highly compensated executives of the recipient and first-tier sub-grantees. Each entity must ensure that it has the necessary processes and systems in place to comply with the reporting requirements should it receive funding.

It is expected that reports regarding sub-grants will be made through the FFATA Subaward Reporting System (FSRS), found at <https://www.fsrs.gov> .

#### Data Requirements:

The following data is required from sub-grantees for all grants that meet the FFATA requirements:

- a. Name of entity receiving award
- b. Amount of award
- c. Funding agency
- d. CFDA program number for grants
- e. Program source
- f. Award title descriptive of the purpose of the funding action
- g. Location of the entity (including congressional district)
- h. Place of performance (including congressional district)
- i. Unique identifier of the entity and its parent (DUNS)

FFATA reports need to be submitted the month following the full execution of a sub-grant, sub-grant modification, or vendor payment. All FFATA information must be updated to the FSRS website. When an eligible FFATA award is received, the DFA/IGS grant coordinator is responsible for entering the information on the FSRS website properly, and for soliciting and updating information from the sub-grantee as needed.

#### **Arkansas Financial Transparency Act 303 of 2011**

Act 303 of 2011 requires the Arkansas Department of Finance and Administration (DFA) to create a free website, accessible to the public that contains State financial information. This website contains detailed transactions which are uploaded to the

website on a regular basis. State revenues and expenditures (including payments to sub-grantees) are posted online.

Transparency.Arkansas.gov is a public resource for citizens, legislators, news media, and anyone who want to know how the state derives and spends its revenues. The DFA Office of Accounting, along with the AASIS Service Center, maintains the data transmitted to Information Network of Arkansas (INA) for display on the Transparency website.

## MONITORING AND EVALUATION

### **Policy**

DFA/IGS, as the State Administering Agency (SAA) and primary recipient of Federal awards, monitors the fiscal and programmatic performance of sub-grantee entities.

### **Procedure**

#### **Desk Monitoring**

Desk monitoring involves a review of reimbursement requests and financial and program reports submitted by the sub-grantee. DFA/IGS may request additional documentation to support cost and service performance claims. It is the responsibility of the sub-grantee to provide requested information and corrections on a timely basis.

#### **On-Site Monitoring**

Every sub-grantee will receive an on-site monitoring visit at least once every two years. On-site monitoring involves a more extensive review of sub-grantee records and may include a discussion of the entity's operations, verification of information reported on financial and program reports, client file review (with redaction) and/or in-person interviews with personnel and Board members. On-site visits also offer an opportunity for DFA/IGS staff to provide technical assistance to sub-grantees.

DFA/IGS staff attending the visit are required to prepare and submit a written report to the Assistant Administrator detailing the results of all site visits. The Assistant Administrator reviews and signs the report as final. Results of the monitoring visit are submitted to the sub-grantee as follows:

- 1) a simple form letter if no findings of deficiency were determined, or
- 2) a full report of deficiencies along with a request to the Board President (or equivalent) to submit a corrective action plan.

The assigned Grants Analyst and the Grants Coordinator must follow up to ensure that the sub-grant entity's corrective actions are completed.

A copy of all correspondence is maintained in the sub-grantee's file.

#### **Investigation**

An investigation may be initiated by a specific problem. The circumstances surrounding the investigation will determine the actions to be conducted. DFA Internal Audit participates in investigations as necessary to address serious noncompliance issues.

## SANCTIONS AND ENFORCEMENT

### **Policy**

DFA/IGS may impose sanctions and enforcement in cases of significant noncompliance with the terms and conditions of awards.

### **Procedure**

If a sub-grantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, a State plan, application, notice of award, or elsewhere, DFA/IGS may take one or more of the following actions under 28 CFR § 66.43 (a), as appropriate in the circumstances:

- 1) Temporarily withhold cash payments pending correction of the deficiency by the sub-grantee or more severe enforcement action;
- 2) Disallow or deny both use of funds and matching credit for all or part of the cost of the activity or action not in compliance;
- 3) Wholly or partly suspend or terminate the current award for the sub-grantee's program;
- 4) Withhold further awards for the program, or;
- 5) Take other remedies that may be legally available.

## GRANT CLOSEOUT

### **Policy**

DFA/IGS submits grant closeout documents in accordance with Federal requirements at least one week prior to the Federal due date.

### **Procedure**

DFA/IGS begins preparations for closeout no later than three months prior to the end date of the grant in order to accurately calculate expenses and any adjusting entries that are needed. DFA/IGS grants staff verifies that sub-grantees have complied with the programmatic and financial requirements of the sub-grant.

Timely closeouts are important as Federal regulations require sub-grantees to maintain financial records, supporting documents, performance reports, and all other records pertinent to the grant for a period of 3 years from the date that the final financial report was submitted (see **Recordkeeping** section above).

### **End of Award Period**

The award period is the period of time when Federal funding is available for obligation by the sub-grantee. The sub-grantee may charge to the grant only allowable costs resulting from obligations incurred during the funding period. An obligation occurs when funds are encumbered, such as in a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the begin date and up to the last day of the grant period of the award. Any funds not properly obligated by the sub-grantee within the grant award period will lapse and revert to DFA/IGS for de-obligation. The obligation deadline is the last day of the grant award period unless otherwise stipulated. The obligation period is the same as the award period listed on the award document. No additional obligations can be incurred after the end of the grant.

*Example: If the award period is 10/1/10 to 9/30/13, the obligation deadline is 9/30/13.*

### **Liquidation of Funds**

Grant funds which have been properly obligated by the end of the award period will normally have 30 days in which to be liquidated (pay the obligations incurred during the grant period). Any funds not liquidated at the end of the 30 day period will lapse and revert to DFA/IGS for de-obligation, unless a grant adjustment notice extending the liquidation period has been approved. (Example: If the award period is October 1, 2010 to September 30, 2013, the liquidation deadline is October 30, 2013).

### **Liquidation Extension Criteria**

Requests for a liquidation extension must be submitted in writing to DFA/IGS. A detailed explanation describing the events that prevent liquidation by the deadline must be provided. Requests for extension of the liquidation period are not guaranteed to be approved so all efforts should be made to liquidate by the stated deadline.

Extension requests will be considered only if the extension criteria established below are met by the sub-grantee at the time the request is submitted to DFA/IGS.

Modifications of the general extension policy stated above are at DFA/IGS' discretion. The criteria for extending the liquidation period include the following:

- 1) Reports - Requests for adjustments will be considered only if the reporting requirements are current.
- 2) Special Conditions - All special conditions attached to the award must be satisfied, except for those conditions that must be fulfilled in the remaining period of the award. This also includes the performance and resolution of audits in a timely manner.
- 3) Justification - A narrative explaining the need for additional time to liquidate must be submitted with an extension request. Complete details must be provided, including the justification and the circumstances which require the proposed extension. Applicants must explain the effect of a denial of the request on the project or program.

**NOTE: Liquidation extensions will not be granted merely for the purpose of using unobligated balances.**

### **Final Reports**

Within 90 days of the end date of the award (or any approved extension), DFA/IGS must submit the following to the Federal funding agency:

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- The final report of expenditures must have no unliquidated obligations.
- Any unobligated or unexpended funds will be de-obligated from the award amount.
- Match requirements must be met by the end of the award period and included in the report.
- If DFA/IGS has drawn down funds in excess of Federal expenditures, unused funds must be returned to the Federal awarding agency with the final report.
- The final FFR must be reconciled to DFA/IGS internal accounting records.

The final progress report should be prepared in accordance with instructions provided by the Federal awarding agency's program office.

## APPENDIX

### GLOSSARY OF TERMS

**Administrative Requirements:** Common to grants and contracts in general, such as financial management, types and frequency of reports, and retention of records.

**Allowability of Cost:** The tests for allowability of costs are: (a) they must be reasonable; (b) they must be allocable to sponsored agreements under the principles and methods provided by OMB Circular A-21; (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in OMB Circular A-21, or in the sponsored agreement as to types or amounts of cost items.

**Application:** A request for financial support of a project/activity, submitted to DFA/IGS in accordance with instructions provided in the funding announcement.

**Approved Budget:** The financial expenditure plan, including any revisions approved by DFA/IGS for the grant-supported project or activity.

**Award:** Financial assistance that provides support of stimulation to accomplish a public purpose.

**Conflict of Interest:** Conflict of Interest occurs whenever a sub-grant staff member, or other employee, or a family member of the sub-grant employee, has an existing or potential financial or other material interest that impairs, appears to impair, or has the potential to impair the sub-grant employee's independence and objectivity in the discharge of his/her responsibilities to and/or for the sub-grant organization.

**Continuation Application:** A request for financial or direct assistance for a second or subsequent budget period within a previously approved project period.

**Debarment:** A final action that excludes an entity from receiving Federal financial and nonfinancial assistance and benefits and has a government wide effect. Debarment can occur for the following reasons: conviction for fraud or other criminal offense, misrepresentation, false certification, the illegal payment of gratuities, or deliberate or repeated failure to perform sub-grant obligations.

**De-obligation:** The process of removing unneeded and/or unused funds due to completion and/or termination of a project.

**Direct Costs:** Costs that can be specifically identified with a particular project or program.



**Equipment:** Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$1,500.00 or more per item. A sub-grantee may use its own definition of equipment provided that such definition would at least include all equipment defined here.

**Expiration Date:** The date signifying the end of the current grant period, as indicated on the Notice of Grant Award, after which the sub-grantee does not have authority to obligate grant funds.

**Extension:** Approval of additional time (generally not to exceed 12 months) to any grant period, including the final budget period, of a previously approved project period. The extension is generally made without additional funds. Approval of extension must be formalized in writing.

**Fiscal Officer:** An individual with responsibility for all financial operations including budgeting, accounts payable, reconciliations, and preparing documents for financial reporting.

**Grant:** A financial assistance mechanism whereby money and/or direct assistance is provided to carry out approved activities. Grants can be classified based on type of activity(ies), supported service, equipment, degree of discretion allowed the awarding office, and/or method of determining amounts of award (negotiated basis or formula).

**Grants Analyst:** The DFA/IGS office representative who is responsible for the technical, or programmatic aspects of a grant. These individuals deal with sub-grantee organization staff to assure programmatic progress and compliance.

**Grant-Approved Project/Activities:** Those activities specified or described in a grant application, or other documents that are approved by DFA/IGS for funding. For purposes of this definition, it does not matter whether funding constitutes all or only a portion of the financial support necessary to carry out such activities.

**Grants Coordinator:** An individual designated by DFA/IGS to direct the project or program being supported by the grant. He or she is responsible and accountable to the Federal funding agency for the proper conduct of the project or program performance and financial aspects of the grant-supported activity.

**Indirect Costs:** Costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project.

**Matching:** The value of applicant or third-party in-kind or cash contributions and the portion of the costs of a project or program not borne by the sub-grantee. Where matching is not required by law or regulation, matching may be administratively required by DFA/IGS. Costs used to satisfy matching requirements are subject to the same policies governing allowability as other costs under the approved budget, including audit.

**Monitoring:** A process whereby the programmatic and fiscal management performance aspects of a grant are reviewed by assessing information gathered from various reports, audits, site visits, and other sources.

**Notice of Sub-grant Award:** The legally binding document that notifies the sub-grantee and others that a grant has been made, contains or references all terms of the award, and documents the obligation of Federal funds.

**Obligation:** A legal liability to pay, under a grant, sub-grant, and/or contract, determinable sums for services or goods incurred during the grant period. This includes, but is not limited to, amounts of orders placed, services received and similar transactions that require payment by the recipient during the same or future project.

**Program:** A coherent assembly of plans, project activities, and supporting resources contained within an administrative framework, whose purpose is to implement an organization's mission or some specific program-related aspect of that mission.

**Program Director/Project Director/Executive Director:** An individual designated by the sub-grantee to direct the project or program being supported by the grant. He or she is responsible and accountable to recipient organization officials for the proper conduct of the project or program. The organization is, in turn, legally responsible and accountable to DFA/IGS for the performance and financial aspects of the grant-supported activity.

**Project Period:** The total time for which support of a funded project has been programmatically approved. A project period may consist of one or more budget periods. The total project period comprises the original project period and any extensions.

**Proposal:** A request for financial support of a project/activity, submitted to DFA/IGS in accordance with instructions provided by DFA/IGS. (See also "Application").

**Reasonable Costs:** A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amounts involved therefore, reflect what is outlined in OMB Circular A-87 Cost Principles for State and Local Governments, and OMB Circular A-122 Cost Principles for Nonprofit Organizations.

**Sub-award:** Award of financial assistance in the form of money made under a grant.

**Sub-grant:** Award of financial assistance in the form of money made under a grant by a grantee (DFA/IGS) to an eligible sub-grantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of grant provided above.

**Sub-grantee:** Legal entity to which a sub-grant is awarded and which is accountable to the grantee (DFA/IGS) for the use of the funds provided.

**Sub-recipient:** The recipient of a sub-award; a sub-grantee.

**Suspension:** Temporary withdrawal of the sub-grantee's ability to utilize grant funds pending corrective action by the sub-grantee as specified by DFA/IGS or a decision by the Federal funding agency to terminate the grant. (See also "Debarment").

**Termination:** Permanent withdrawal of a sub-grantee's ability to utilize previously awarded grant funds before that authority would otherwise expire, including the voluntary relinquishment of that authority by DFA/IGS.

**Terms of Award/Terms of Grant/Terms and Conditions:** All legal requirements imposed on a grant by the Federal funding agency and/or DFA/IGS, whether by statute, regulation, or terms in the grant document.

**Total Project Costs:** The total allowable costs incurred by the sub-grant organization to carry out an approved grant-supported project or activity, including costs listed in the grant application or Notice of Grant Award.

## **SAMPLE FORMS**

**APPLICATION FOR  
FEDERAL ASSISTANCE**

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		<b>2. DATE SUBMITTED</b>	Applicant Identifier
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
		<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier
<b>5. APPLICANT INFORMATION</b>			
Legal Name:		<b>Organizational Unit:</b>	
		Department:	
Organizational DUNS:		Division:	
<b>Address:</b>		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>	
Street:		Prefix:	First Name:
City:		Middle Name	
County:		Last Name	
State:	Zip Code	Suffix:	
Country:		Email:	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> □□-□□□□□□□□		Phone Number (give area code)	Fax Number (give area code)
<b>8. TYPE OF APPLICATION:</b> <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) Other (specify)	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): □□-□□□□		<b>9. NAME OF FEDERAL AGENCY:</b>	
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b>		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b>	
<b>13. PROPOSED PROJECT</b>		<b>14. CONGRESSIONAL DISTRICTS OF:</b>	
Start Date:	Ending Date:	a. Applicant	b. Project
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal	\$ .00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$ .00	b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$ .00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$ .00	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>	
e. Other	\$ .00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input type="checkbox"/> No	
f. Program Income	\$ .00		
g. TOTAL	\$ .00		
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
<b>a. Authorized Representative</b>			
Prefix	First Name	Middle Name	
Last Name			Suffix
b. Title	c. Telephone Number (give area code)		
d. Signature of Authorized Representative	e. Date Signed		

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Authorized for Local Reproduction

Standard Form 424 (Rev.9-2003)  
Prescribed by OMB Circular A-102

### INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:	Item:	Entry:																
1.	Select Type of Submission.	11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.																
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	12.	List only the largest political entities affected (e.g., State, counties, cities).																
3.	State use only (if applicable).	13.	Enter the proposed start date and end date of the project.																
4.	Enter Date Received by Federal Agency Federal identifier number: If this application is a continuation or revision to an existing award, enter the present Federal Identifier number. If for a new project, leave blank.	14.	List the applicant's Congressional District and any District(s) affected by the program or project																
5.	Enter legal name of applicant, name of primary organizational unit (including division, if applicable), which will undertake the assistance activity, enter the organization's DUNS number (received from Dun and Bradstreet), enter the complete address of the applicant (including country), and name, telephone number, e-mail and fax of the person to contact on matters related to this application.	15.	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.																
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.																
7.	Select the appropriate letter in the space provided. <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. State</td> <td style="width: 50%;">I. State Controlled Institution of Higher Learning</td> </tr> <tr> <td>B. County</td> <td>J. Private University</td> </tr> <tr> <td>C. Municipal</td> <td>K. Indian Tribe</td> </tr> <tr> <td>D. Township</td> <td>L. Individual</td> </tr> <tr> <td>E. Interstate</td> <td>M. Profit Organization</td> </tr> <tr> <td>F. Intermunicipal</td> <td>N. Other (Specify)</td> </tr> <tr> <td>G. Special District</td> <td>O. Not for Profit Organization</td> </tr> <tr> <td>H. Independent School District</td> <td></td> </tr> </table>	A. State	I. State Controlled Institution of Higher Learning	B. County	J. Private University	C. Municipal	K. Indian Tribe	D. Township	L. Individual	E. Interstate	M. Profit Organization	F. Intermunicipal	N. Other (Specify)	G. Special District	O. Not for Profit Organization	H. Independent School District		17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
A. State	I. State Controlled Institution of Higher Learning																		
B. County	J. Private University																		
C. Municipal	K. Indian Tribe																		
D. Township	L. Individual																		
E. Interstate	M. Profit Organization																		
F. Intermunicipal	N. Other (Specify)																		
G. Special District	O. Not for Profit Organization																		
H. Independent School District																			
8.	Select the type from the following list: <ul style="list-style-type: none"> <li>• "New" means a new assistance award.</li> <li>• "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date.</li> <li>• "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision enter the appropriate letter:  <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. Increase Award</td> <td style="width: 50%;">B. Decrease Award</td> </tr> <tr> <td>C. Increase Duration</td> <td>D. Decrease Duration</td> </tr> </table> </li> </ul>	A. Increase Award	B. Decrease Award	C. Increase Duration	D. Decrease Duration	18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)												
A. Increase Award	B. Decrease Award																		
C. Increase Duration	D. Decrease Duration																		
9.	Name of Federal agency from which assistance is being requested with this application.																		
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.																		

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(REQUIRED BY STATE AGENCIES ONLY)  
**SUPPLEMENTARY GRANT INFORMATION**  
 (Form CH 1)

**APPLICANT:** \_\_\_\_\_

**PROJECT DURATION:** \_\_\_\_\_

**Name of Funding Agency:** \_\_\_\_\_

**Part I: Project Description:** Briefly describe the purpose of the grant, the work to be done and the projected accomplishments:

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**Part II: Budgetary Information:**

	Percentage	Applicant	Federal	State, Local, Other (Specify)	Total
Personal Services					
Supplies & Materials					
Travel					
Capital Outlay					
Consultant Services					
Other					
<b>Total</b>					
Indirect Cost					
<b>Total Support</b>					

Indicate Other Sources: \_\_\_\_\_

Indicate "In-Kind" support by an ( \* ) next to amount.

If the project is for more than one year, you should submit a separate budget for each applicable year.

(REQUIRED BY STATE AGENCIES ONLY)

STATE CLEARINGHOUSE  
**APPLICATION SUPPLEMENT INSTRUCTIONS**  
(Form CH 2)

1. Self Explanatory
2. Self Explanatory
3. Self Explanatory

Note: Grant I. D.'s are assigned by the agency submitting the application. Care should be taken to ensure that only one (1) Grant I. D. is assigned to any project. All Notifications of Intent, Preapplications, Revisions and Supplemental applications for one grant project for the fiscal year should have the same Grant I. D. Up to eight digits may be used.

4. Grant Year: This two-digit field is considered to be part of the grant identifier and is used to help keep the Grant I. D. unique. The federal fiscal year in which the grant starts is usually entered here.
5. Grant Start Date: Month, day and calendar year in which the grant or project will begin. Grant End Date: Month, day and calendar year in which the grant or project will end.
6. Applicant Code: Use your agency's three-digit agency code as listed in the applicant code list. If you are not a state agency, use the appropriate applicant code from the applicant code list.
7. Grantor Code: List the code of the state or federal agency from which you will directly receive the grant funds.
8. Organization Unit: If you are receiving the grant directly from a federal agency, list the local, regional or programmatic unit making the award. For example, OHD is an organizational unit of DHEW.
9. Funding Percentage Requirements: Percent of total funds that are federal, state or other.
10. Type of Assistance: (A) Formula Grants; (B) Project Grants; (C) Direct Payments for Special Use; (D) Direct Payment with Unrestricted Use; (E) Direct Loans; (F) Guaranteed/Insured Loans; (G) Insurance; (H) Sale, Exchange or Donation of Property and Goods; (I) Use of Property, Facilities of Equipment; (J) Provision of Specialized Services; (K) Advisory Services and Counseling; (L) Dissemination of Technical Information; (M) Training; (N) Investigation of Complaints; (O) Federal Employment and (P) Research Contracts.
11. Self Explanatory
12. Self Explanatory
13. Self Explanatory
14. Self Explanatory
15.
  - A. What is the dollar base your Indirect Cost Ratio is determined from?  
Either Total Direct Costs or Direct Salaries and Wages.
  - B. What is your Indirect Cost Rate Percentage?
  - C. How much (dollars) are you claiming as indirect costs on this project?
  - D. If costs claimed in item (C) are less or greater than A x B, explain.



(REQUIRED BY STATE AGENCIES ONLY)

**STATE CLEARINGHOUSE  
APPLICATION SUPPLEMENT**

(Form CH 2)

1. If this is a "NOTIFICATION OF INTENT" to apply or a Pre-Application, Please Check this box  and indicate GRANT I. D. assigned.  
GRANT I. D. \_\_\_\_\_ (8)
2. If this is an actual GRANT APPLICATION, please check this box , and indicate GRANT I. D. assigned. GRANT I. D. \_\_\_\_\_ (8)  
  
\*NOTE: If a NOTIFICATION OF INTENT or PREAPPLICATION has been previously submitted, use that I. D. to complete ITEM 2 and indicate SAI# that was assigned to the NOI or PREAPP.  
SAI # \_\_\_\_\_ (8)
3. If this is an application for SUPPLEMENTAL FUNDS or is a REVISION, please indicate original GRANT I. D. AND SAI # to which it applies.  
GRANT I. D. \_\_\_\_\_ (8) SAI # \_\_\_\_\_ (8)
4. GRANT YEAR \_\_\_\_\_
5. GRANT START DATE \_\_\_\_\_ GRANT END DATE \_\_\_\_\_ (mo./day/yr.)
6. APPLICANT (AGENCY) CODE \_\_\_\_\_ (7) (see Applicant Code List)
7. GRANTOR CODE \_\_\_\_\_ (5) (see Grantor Code List)
8. ORGANIZATION UNIT \_\_\_\_\_
9. FUNDING PERCENTAGE REQUIREMENTS:  
FEDERAL \_\_\_\_\_% STATE \_\_\_\_\_% OTHER \_\_\_\_\_%
10. TYPE OF ASSISTANCE (A THROUGH P) \_\_\_\_\_ (see instructions on previous page)
11. METHOD OF FUNDING \_\_\_\_\_  
  1. Advance by Treasury Check
  2. Reimbursement by Treasury Check
  3. Advance by Letter of Credit
  4. Reimbursement by Letter of Credit
12. Federal Funds for this GRANT will be received directly from (CHECK ONE)  
 A Federal Agency  Another State Agency  Other Source  
 \*\*If source is Other please specify \_\_\_\_\_
13. Do you have an INDIRECT COST RATE?  YES  NO
14. If Yes, is the rate being applied to this project?  YES  NO

15. A. DIRECT COST BASE <div style="text-align: center;">\$ _____</div>	B. INDIRECT COST RATE <div style="text-align: center;">_____%</div>	C. INDIRECT COSTS CLAIMED* <div style="text-align: center;">\$ _____</div>
D. EXPLANATION* <div style="text-align: center;">_____</div>		

GRANT COORDINATOR \_\_\_\_\_  
Full Name

AGENCY \_\_\_\_\_  
DATE \_\_\_\_\_

## STATE AND AREA WIDE CLEARINGHOUSES

### ARKANSAS STATE CLEARINGHOUSE (SPOC)

P.O. BOX 8031  
1515 WEST 7<sup>TH</sup> Room 305  
LITTLE ROCK, AR 72203-8031

PHONE: (501) 682-1074  
FAX: (501) 682-5206  
EMAIL: [www.state.ar.us.dfa](http://www.state.ar.us.dfa)

### #1 CENTRAL ARKANSAS PLANNING AND DEVELOPMENT DISTRICT, INC.

902 N. CENTER  
P.O. BOX 300  
LONOKE, AR 72086-0300

PHONE: (501) 374-4669  
FAX: (501) 676-5020  
EMAIL: [www.capdd.org](http://www.capdd.org)

COUNTIES SERVED: LONOKE, PRAIRIE, MONROE, FAULKNER  
(PULASKI & SALINE)

### #2 WHITE RIVER PLANNING AND DEVELOPMENT DISTRICT, INC.

1652 WHITE DR.  
P. O. BOX 2396  
BATESVILLE, AR 72503

PHONE: (870) 793-5233  
FAX: (870) 793-4035  
EMAIL: [www.wrpdd.org](http://www.wrpdd.org)

COUNTIES SERVED: WHITE, CLEBURNE, WOODRUFF, JACKSON, SHARP,  
FULTON, IZARD, STONE, VAN BUREN, AND INDEPENDENCE

### #3 EAST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT, INC.

2905 KING STREET  
P. O. BOX 1403  
JONESBORO, AR 72403

PHONE: (870) 932-3957  
FAX: (870) 932-0135  
EMAIL: [www.eapdd.com](http://www.eapdd.com)

COUNTIES SERVICED: RANDOLPH, CLAY, GREENE, LAWRENCE, CRAIGHEAD  
CROSS, POINSETT, MISSISSIPPI, ST. FRANCIS, LEE, PHILLIPS, (CRITTENDEN)

### #4 NORTHWEST ARKANSAS ECONOMIC DEVELOPMENT DISTRICT, INC.

818 HWY 62-65 412 NORTH  
P. O. BOX 190  
HARRISON, AR 72602-0190

PHONE: (870) 741-5404  
FAX: (870) 741-1905  
EMAIL: [www.nwaedd.org](http://www.nwaedd.org)

COUNTIES SERVED: MADISON, CARROLL, BOONE, MARION, BAXTER,  
SEARCY, NEWTON, (BENTON & WASHINGTON)

### #5 SOUTHEAST ARKANSAS ECONOMIC DEVELOPMENT DISTRICT, INC.

721 S. WALNUT  
P. O. BOX 6806  
PINE BLUFF, AR 71611

PHONE: (870) 536-1971  
FAX: (870) 536-7718  
EMAIL: \*No email address available

COUNTIES SERVED: ASHLEY, BRADLEY, CHICOT, CLEVELAND, DESHA,  
DREW, GRANT, ARKANSAS, LINCOLN (JEFFERSON)

**#6 SOUTHWEST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT**

101 BUSINESS PARK DRIVE                      PHONE:                      (870) 234-4030  
P.O. BOX 767                                      FAX:                              (870) 234-0135  
MAGNOLIA, AR 71753-2322                      EMAIL:                      [www.swapdd.com](http://www.swapdd.com)

COUNTIES SERVED: DALLAS, CALHOUN, COLUMBIA, HEMPSTEAD, HOWARD, UNION,  
LITTLE RIVER, LAFAYETTE, NEVADA, OUACHITA, SEVIER, (MILLER)

**#7 WEST CENTRAL ARKANSAS PLANNING AND DEVELOPMENT DISTRICT**

1000 CENTRAL AVE                              PHONE:                      (501) 525-7577  
P.O. BOX 6409                                      FAX:                              (501) 525-7677  
HOT SPRINGS, AR 71902                      EMAIL:                      [www.wcapdd.dina.org](http://www.wcapdd.dina.org)

COUNTIES SERVED: CLARK, CONWAY, GARLAND, HOT SPRING, JOHNSON, POPE,  
PERRY, PIKE, MONTGOMERY, YELL

**#8 WESTERN ARKANSAS PLANNING AND DEVELOPMENT DISTRICT**

1109 SOUTH 16<sup>th</sup> STREET                      PHONE:                      (479) 785-2651  
P.O. BOX 2067                                      FAX:                              (479) 785-1964  
FORT SMITH, AR 72902                      EMAIL:                      [www.wapdd.org](http://www.wapdd.org)

COUNTIES SERVED: LOGAN, FRANKLIN, POLK, SCOTT

**#9 FRONTIER METROPOLITAN PLANNING ORGANIZATION**

1109 SOUTH 16<sup>TH</sup> STREET                      PHONE:                      (479) 785-2651  
P. O. BOX 2067                                      FAX:                              (479) 785-1964  
FORT SMITH, AR 72902                      EMAIL:                      [www.frontiermpo.org](http://www.frontiermpo.org)

COUNTIES SERVED: CRAWFORD AND SEBASTIAN

**#10 METROPLAN**

501 WEST MARKHAM STREET                      PHONE:                      (501) 372-3300  
SUITE B    FAX:                              (501) 372-8060  
LITTLE ROCK, AR 72201                      EMAIL:                      [www.metroplan.org](http://www.metroplan.org)

COUNTIES SERVED: PULASKI AND SALINE

**#11 SOUTHEAST ARKANSAS REGIONAL PLANNING COMMISSION**

1300 OHIO STREET                              PHONE:                      (870) 534-4247  
P.O. BOX 8398                                      FAX:                              (870) 534-1555  
PINE BLUFF, AR 71611                      EMAIL:                      [www.searpc.com](http://www.searpc.com)

COUNTIES SERVED: JEFFERSON

**#12 ARK-TEX COUNCIL OF GOVERNMENTS**

4808 ELIZABETH STREET                      PHONE:                      (903) 832-8636  
P. O. BOX 5307                                      FAX:                              (903) 832-3441  
TEXARKANA, TX. 75505                      EMAIL:                      [www.atcog.org](http://www.atcog.org)

COUNTIES SERVED: MILLER

#13 **NORTHWEST ARKANSAS REGIONAL PLANNING COMMISSION**

1311 CLAYTON  
SPRINGDALE, AR 72762

PHONE: (479) 751-7125  
FAX: (479) 751-7150  
EMAIL: [www.nwarpc.org](http://www.nwarpc.org)

COUNTIES SERVED: BENTON AND WASHINGTON

## LINKS

### **ARKANSAS LEGISLATIVE AUDIT**

[www.arklegaudit.gov](http://www.arklegaudit.gov)

### **ARKANSAS PROCUREMENT LAW**

A.C.A. §19-11-201, et seq.

<http://www.lexisnexis.com/hottopics/arcodes/Default.asp>

### **CODE OF FEDERAL REGULATIONS (CFR)**

<http://www.ecfr.gov>

### **FEDERAL PER DIEM RATES**

<http://www.gsa.gov/portal/category/21287>

### **FFATA SUBAWARD REPORTING SYSTEM**

<https://www.fsrs.gov>

### **OFFICE OF JUSTICE PROGRAMS FINANCIAL GUIDE**

<http://www.ojp.usdoj.gov/financialguide/>

### **OFFICE OF MANAGEMENT AND BUDGET (OMB)**

**OMB Circular No. A-102** - Grants and Cooperative Agreements with State and Local Governments. This Circular establishes the Federal standards for grants administration applicable to all State and Local Governments.

**OMB Circular No. A-87** - Cost Principles for State and Local Governments. This Circular establishes the principles for determining the allowability of costs for grants to State and Local Governments, and specifies the documentation required.

**OMB Circular No. A-133** - Audits of States, Local Governments, and Non-Profit Organizations. This Circular requires certain sub-grantees to have an independent audit in accordance with Government Auditing Standards and provides for financial statement, compliance and internal control reviews.

The OMB Circulars are available online at: [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars)

### **STATE TRAVEL POLICY**

<http://www.dfa.arkansas.gov/OFFICES/ACCOUNTING/FINANCIALMANAGEMENTGUIDE/Pages/Subchapter9.aspx>

### **TRANSPARENCY**

<http://transparency.arkansas.gov>

<http://usaspending.gov>