

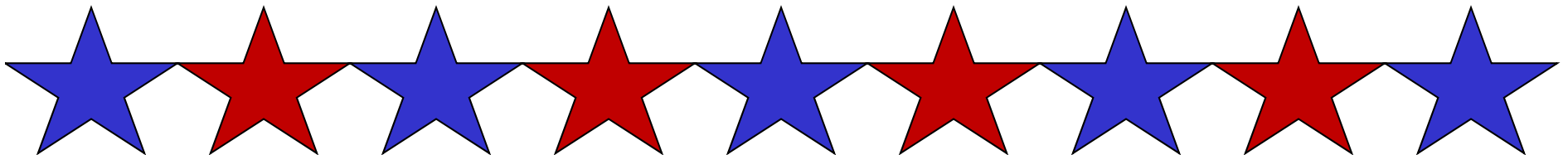


# **State of Arkansas**

Department of Finance and Administration  
Office of Intergovernmental Services  
Victim Justice Assistance Program

## **What Subgrant Organizations Must Do To Comply with Federal and State Requirements**

### **REIMBURSEMENT REQUEST PROCESSING PROCEDURES**

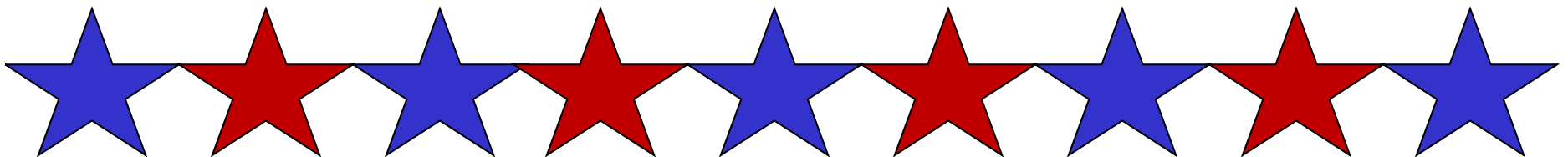




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## WHO WE ARE

- The Office of Intergovernmental Services (IGS) manages a number of major federal grant programs which currently provide about \$425 million in federal funding to over 600 sub recipients throughout Arkansas.
- Among the federal grant programs being managed by the Victim Justice and Assistance (VJA) Section are:
  - Victims of Crime Act (VOCA) Crime Victims Assistance;
  - STOP Violence Against Women Act (VAWA);
  - Family Violence Prevention and Services Act (FVPSA), and
  - Sexual Assault Services Program (SASP).

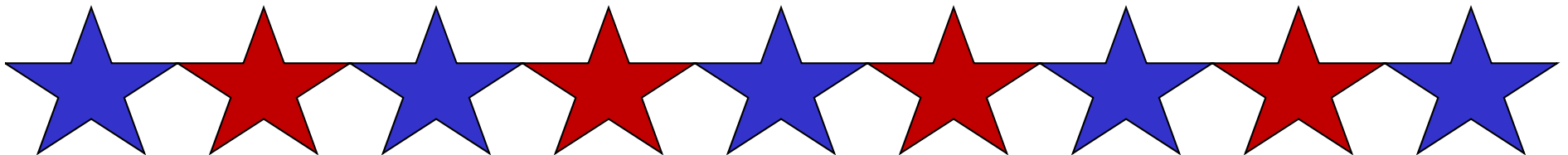




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## WHO WE ARE (cont'd)

- In addition to overseeing federal grant programs, IGS has the following responsibilities in supporting state government:
  - Statewide Clearinghouse for project notification and review.
  - Statewide Cost Allocation Plan for federal programs.
  - State Records Retention Schedule.
  - Tracking of State agency information technology projects.

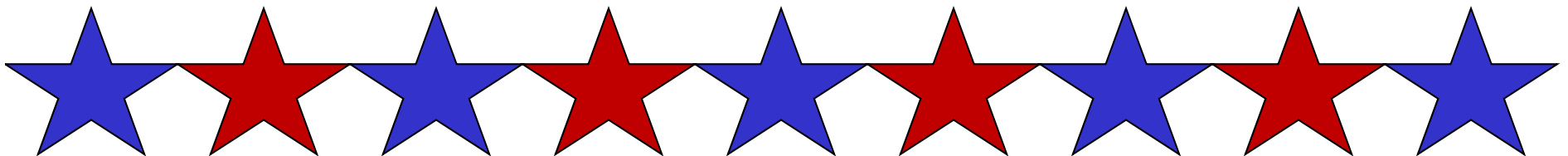




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## WHO WE ARE (cont'd)

- IGS also plays a significant role in overseeing the \$3.2 billion made available through the American Recovery and Reinvestment Act. The office provides assistance to the Arkansas Recovery Office to:
  - Ensure compliance with federal expenditure requirements.
  - Ensure that recipients meet monthly and quarterly reporting requirements.
  - Ensure that recipients comply with a variety of other federal guidelines covering wage rates, buy American provisions and other rules.

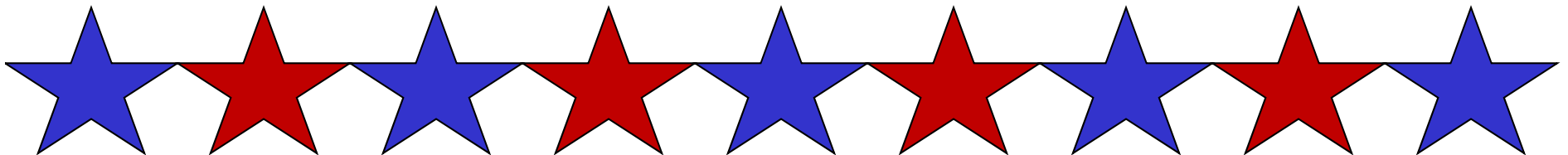




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## PURPOSE OF WEBINAR

- The purpose of this webinar is to assist subgrant organizations to comply with Federal and State requirements, relative to reimbursement of subgrant expenditures.
- To do so we will examine the standard operating procedures used by VJA in processing requests for reimbursement.
- We will also describe acceptable documentation needed to substantiate reimbursement requests.

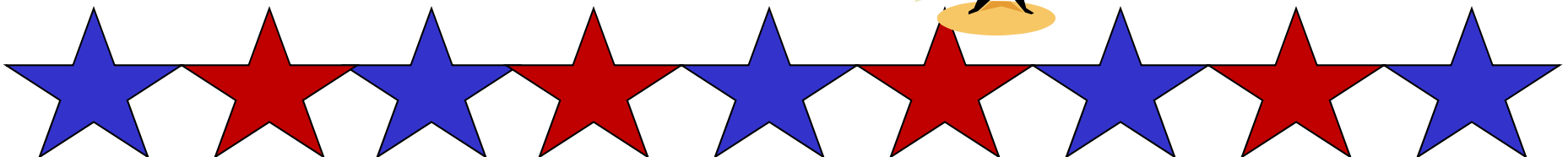
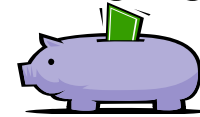




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## VJA SUBGRANTEES

- Subgrant organizations receiving federal funds disbursed by VJA range from the smallest non-profit to large governmental entities.
- Internal financial/accounting policies and procedures may differ widely.
- Some subgrant organizations issue payroll bi-weekly, while others may pay monthly.
- Many subgrant organizations have limited funds with which to support project costs, therefore timely reimbursement is critical.





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## HOW ARE SUBGRANTEES PAID?

- VJA pays subgrantees based upon a reimbursement payment system.

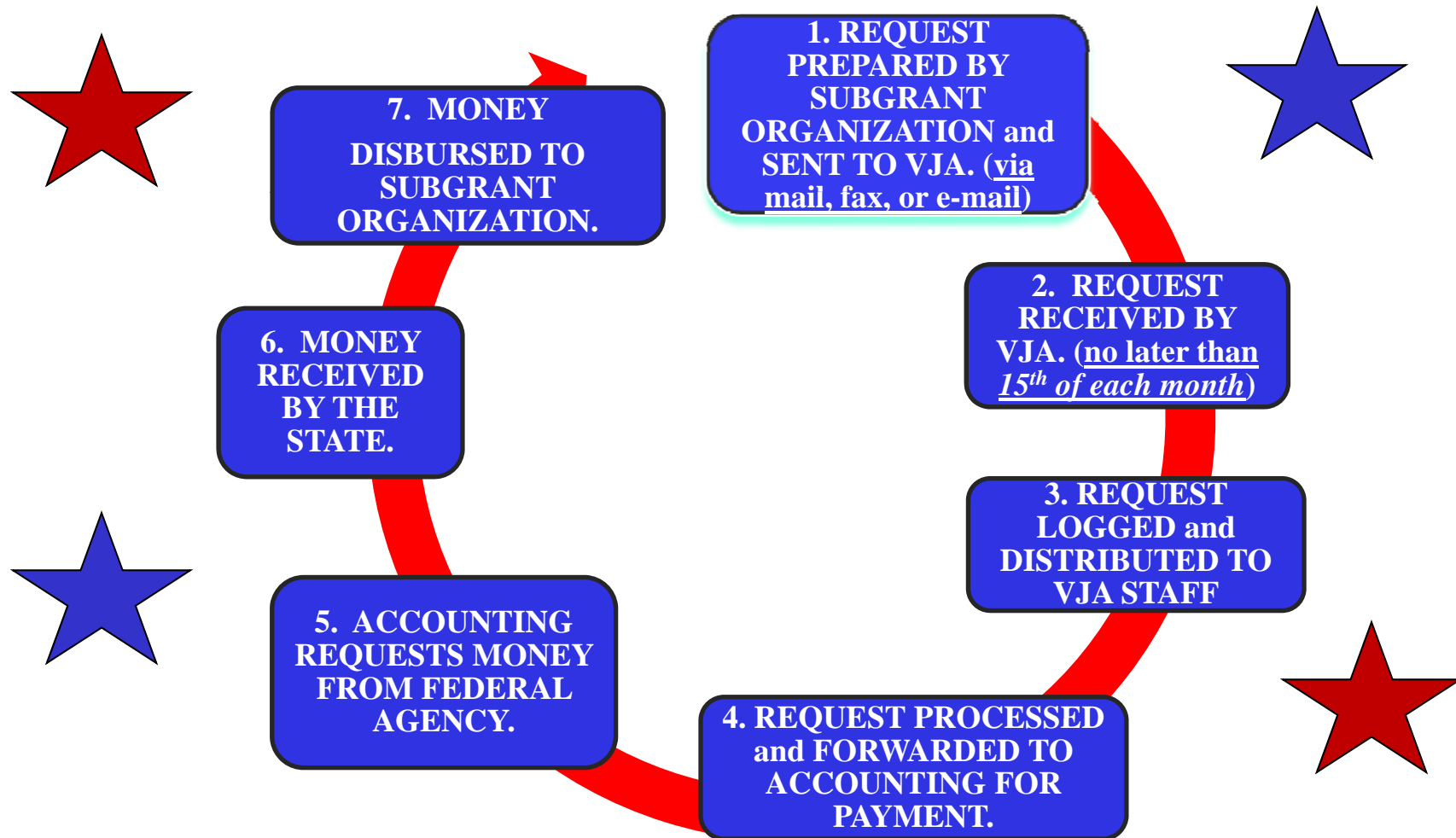


- The system complies with the Federal Cash Management Improvement Act, which promotes and ensures financial responsibility and accountability.





## THE REIMBURSEMENT CYCLE







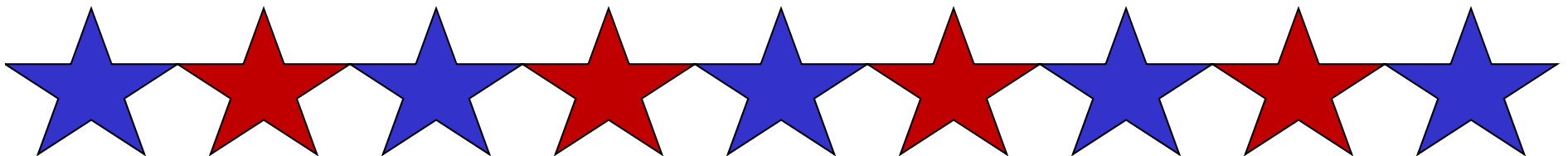
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## SUBMISSION PROCESS

- Requests for reimbursement must be submitted monthly, no later than the 15<sup>th</sup> of the month.



- Requests must be submitted on the individualized reimbursement form supplied by the VJA Project Monitor.
- Expenses must be accompanied by appropriate supporting documentation.

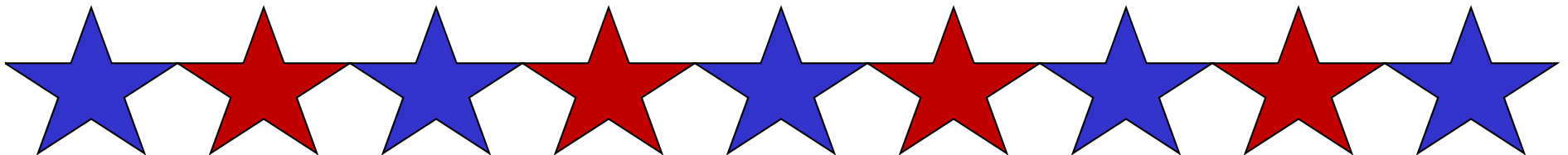




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## SUBMISSION PROCESS (cont'd)

- Requested expenses must be included in the approved budget.
- Requests must be signed by the Authorized or Acting Authorized Official, indicated in the VJA files.





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## SUBMISSION PROCESS (cont'd)

- Requested expenses must be allowable per Federal and State rules, regulations and guidelines, including, but not limited to those listed below. **Knowledge of these and other regulations is mandatory for recipients of federal funds.**

**OJP Financial Guide**

[www.ojp.usdoj.gov/financialguide/](http://www.ojp.usdoj.gov/financialguide/)



**Per Diem Overview**

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

**Subgrant Administration Guide**

[www.dfa.arkansas.gov/intergovernmentalServices/grants/Pages/subgrantAdministrationGuide.aspx](http://www.dfa.arkansas.gov/intergovernmentalServices/grants/Pages/subgrantAdministrationGuide.aspx)

**OMB Circular A-122: Cost Principles for Non-Profit Organizations**

[www.whitehouse.gov/omb/circulars\\_a122\\_2004/](http://www.whitehouse.gov/omb/circulars_a122_2004/)

**STOP Frequently Asked Questions**

[www.ovw.usdoj.gov/docs/FAQ\\_FINAL\\_nov\\_21\\_07.pdf](http://www.ovw.usdoj.gov/docs/FAQ_FINAL_nov_21_07.pdf)

**VOCA Program Guidelines**

[www.ovc.gov/voca/vaguide.htm](http://www.ovc.gov/voca/vaguide.htm)



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## EXAMPLES OF UNALLOWABLE EXPENSES

○ Overtime

○ Medical Costs

○ Entertainment

○ Sporting Events

○ Alcohol



○ Laundry Charges

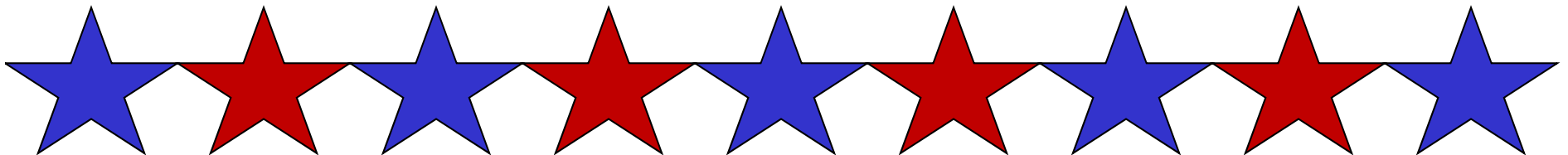


○ Needs Assessment

○ Room Service



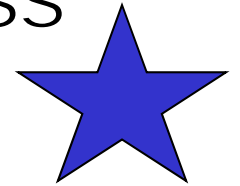
○ Prevention Activities



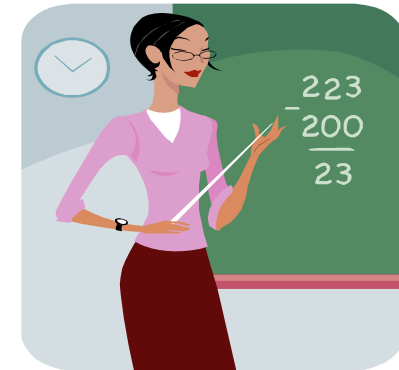
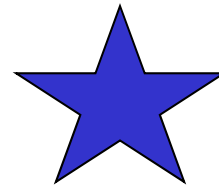


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## WHY IS MY REIMBURSEMENT CHECK LESS THAN I REQUESTED?



- Expenditures lack appropriate supporting documentation.
- Salary payments differ from budgeted amount.
- Mathematical Errors.
- Ineligible expenses claimed.
- Line item expended.
- Uncorrected negative monitoring findings.
- End of Contract – insufficient match provided.



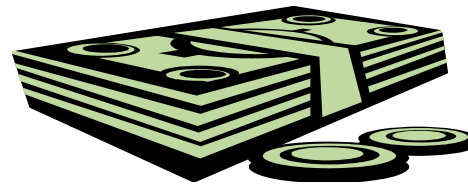
Subgrant Organizations will be notified via e-mail of changes to requested amount (Invoice Adjustment Notification).



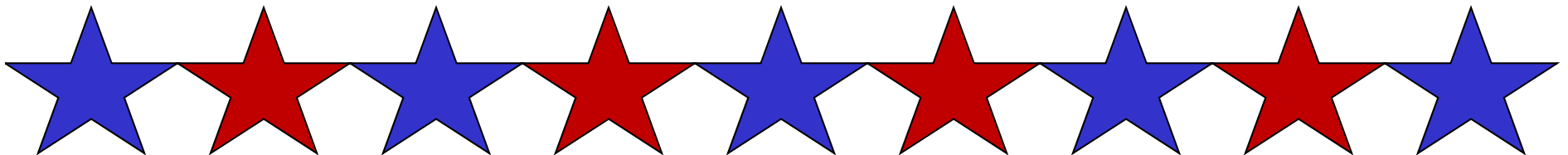
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## SALARY REIMBURSEMENT

- Salary reimbursement will be based on the hourly rate in the approved budget.



- Hourly rates will be established on a 40 hour work week (2,080 hours per year).
- The request must be accompanied by a record from the paying agency documenting the employee's gross and net salary along with deductions and the check number. (i.e.: remuneration statement, payroll register, etc.)

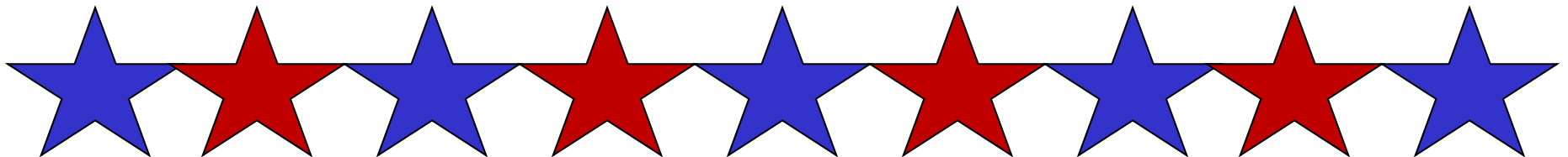
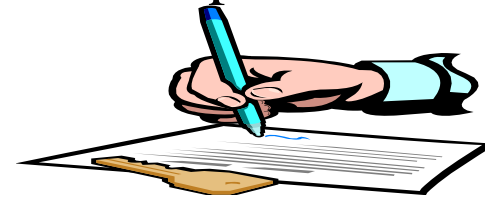




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## SALARY REIMBURSEMENT (cont'd)

- Salary reimbursement must be accompanied by a completed VJA timesheet, signed and dated by the employee and the supervisor.
- Initials are not acceptable.
- The timesheet must include the employee's name and title.
- Position title on the timesheet must match the position title on the approved budget.
- The timesheet must include all hours worked by the employee, not just those being paid by the subgrant.





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## SALARY REIMBURSEMENT (cont'd)

- There is to be one time sheet per position, per person, regardless of the funding source(s).
- The salary of an employee who fills in for multiple positions is to be based on the hourly rate of the employee's hired position.
- **Military time is to be used on all timesheets.**

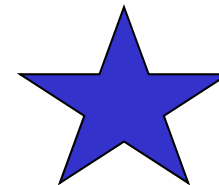
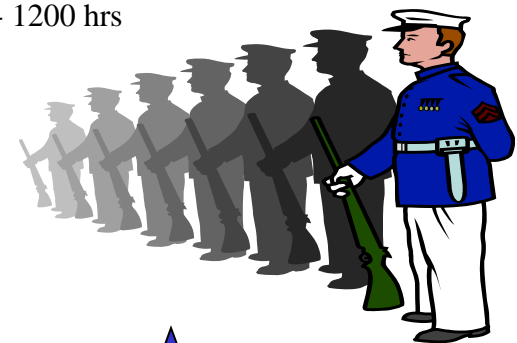
Midnight (12:00 AM) -- 0000 hrs

1:00 AM -- 0100 hrs  
 2:00 AM -- 0200 hrs  
 3:00 AM -- 0300 hrs  
 4:00 AM -- 0400 hrs  
 5:00 AM -- 0500 hrs  
 6:00 AM -- 0600 hrs  
 7:00 AM -- 0700 hrs  
 8:00 AM -- 0800 hrs  
 9:00 AM -- 0900 hrs  
 10:00 AM -- 1000 hrs  
 11:00 AM -- 1100 hrs



NOON (12:00 PM) - - 1200 hrs

1:00 PM -- 1300 hrs  
 2:00 PM -- 1400 hrs  
 3:00 PM -- 1500 hrs  
 4:00 PM -- 1600 hrs  
 5:00 PM -- 1700 hrs  
 6:00 PM -- 1800 hrs  
 7:00 PM -- 1900 hrs  
 8:00 PM -- 2000 hrs  
 9:00 PM -- 2100 hrs  
 10:00 PM -- 2200 hrs  
 11:00 PM -- 2300 hrs



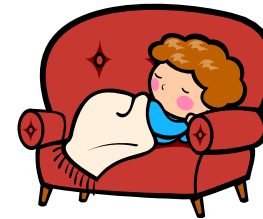
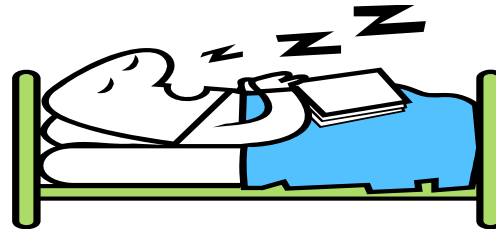




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## SALARY REIMBURSEMENT (cont'd)

- According to Federal wage and hour regulations, an employee on duty for less than 24 hours is working even though he/she is permitted to sleep. The employee must be paid for all hours.



- The employer must provide adequate sleeping arrangements.

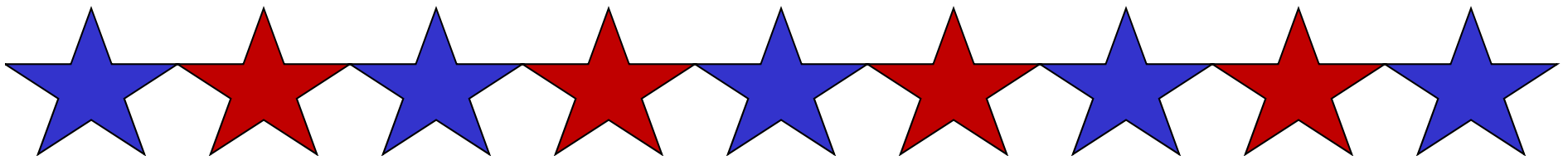
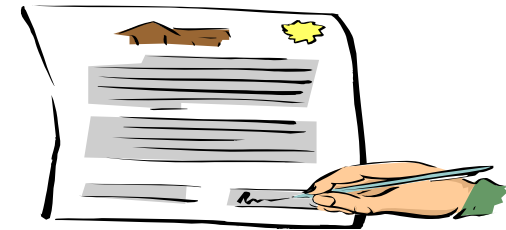




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## SALARY REIMBURSEMENT (cont'd)

- Employers requiring an employee to be on duty for 24 hours or more must have a **written** policy which excludes from payment, sleep time of not more than 8 hours.
- The policy must be signed by the employee.
- Absent a written, signed policy, the employee is to be paid for all hours, including the 8 hours of sleep time.
- The employees' time sheet must reflect all hours, including sleep time.



Procedures to be followed when actual salary is less than approved budget

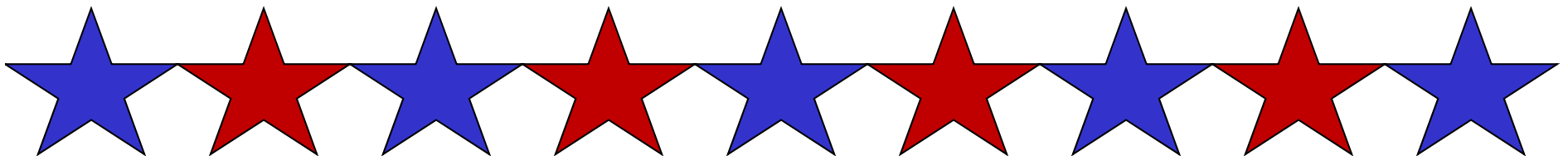
**Position Allocated Less Than 100% to the Project**

- Expense will be reimbursed at the actual salary paid. 
- Subgrant organization must submit a budget revision request, indicating the actual salary paid, prior to the submission of future reimbursement requests. 
- Revision may require an adjustment to the amount of time allocated to the project.
- Revision may also increase or decrease the total amount in the line item, necessitating changes in other line item amounts.
- **Adjustments may only be made to existing line items. New line items are prohibited.**
- Total federal allocation may not increase.  

Procedures to be followed when actual salary is  
less than approved budget

**Position Allocated 100% to the Project**

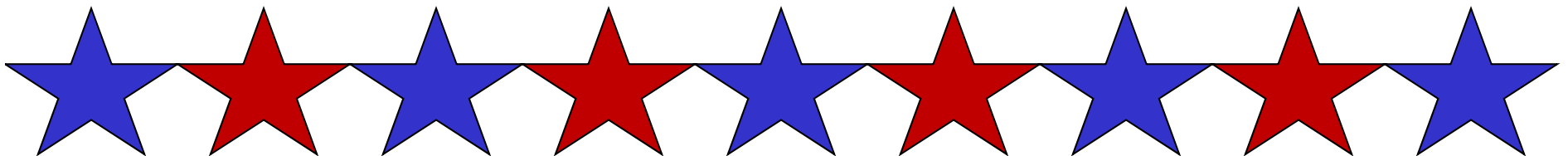
- Expense will be reimbursed at the actual salary paid.
- Subgrant organization must submit a budget revision request, indicating the actual salary paid, prior to the submission of future reimbursement requests.
- **Adjustments may only be made to existing line items. New line items are prohibited.**
- Total federal allocation may not increase.



Procedures to be followed when actual salary is more than approved budget

**Position Allocated 100% to the Project**

- Expense will be reimbursed at the approved budgeted amount.
- An administrative budget revision will be made by VJA, decreasing the percent allocated to the grant to less than 100%.
- VJA staff will notify the agency so that future timesheets are completed appropriately.



## Procedures to be followed when actual salary is more than approved budget

### Position Allocated Less Than 100% to the Project

- Expense will be disallowed. Remaining expenses will be processed.
- Subgrant organization must submit a budget revision request, indicating the actual salary paid, prior to the submission of future reimbursement requests.
- An adjustment to the amount of time allocated to the project may be required.
- An increase or decrease to the total amount in the line item, necessitating changes in other line item amounts may also occur.
- **Adjustments may only be made to existing line items. New line items are prohibited.**
- Total federal allocation may not increase.



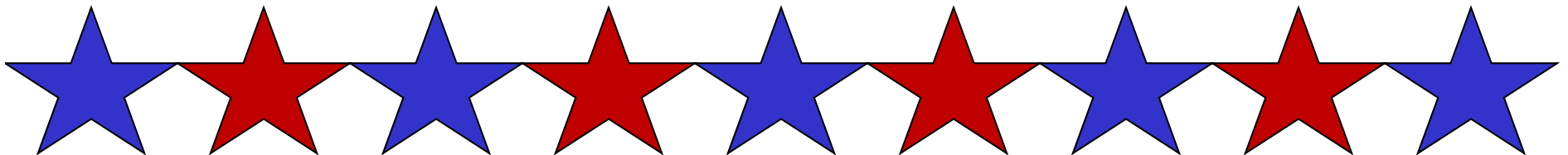


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## MANDATED BENEFITS

- All employer payroll related benefits will be reimbursed based upon the approved salary. (*Employer payroll related benefits include FICA, SUI \* , State Withholding and Worker's Compensation*).
- **Subgrant organizations need not include payment documentation for these expenses.**
- Documentation is to be maintained by the subgrant organization for review by VJA at on-site visits.

\* Maximum SUI reimbursement is 3.6% of the first \$12,000 in salary per position.









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## EMPLOYER BENEFITS

### HEALTH INSURANCE

- Health insurance policies must be maintained by the subgrant organization in order to be considered for reimbursement. 
- Payments made directly to an employee are not reimbursable with federal funds. 
- The maximum reimbursement for insurance costs is \$390 per month per employee. 
- Insurance payments by the subgrant organization in excess of the maximum allowable reimbursement may be used as match.
- Acceptable supporting documentation includes an invoice which lists the employee and proof of payment to the vendor. 





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## EMPLOYER BENEFITS (cont'd)

### RETIREMENT

- Retirement policies must be maintained by the subgrant organization in order to be considered for reimbursement.
- Payments made directly to an employee are not reimbursable with federal funds.
- Reimbursement for retirement cannot exceed the APERS rate, currently **12.46%**.
- Retirement payments by the subgrant organization in excess of the maximum allowable reimbursement may be used as match.
- Acceptable supporting documentation includes an invoice which lists the employee and proof of payment to the vendor.

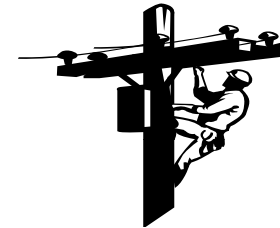




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## MAINTENANCE AND OPERATIONS

- Some common items in this category include travel, utilities, rent, office supplies, etc.



- Maintenance and operations expenditures must be made directly to the vendor. *No payments made directly to employees will be reimbursed with federal funds.*
- Reimbursement request must include a bill or invoice and proof of payment to the vendor.

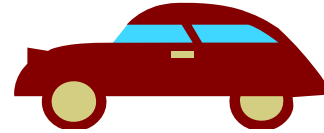




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## MAINTENANCE AND OPERATIONS (cont'd)

- A completed VJA travel log must accompany project related mileage reimbursement requests.
- All information requested must be included (i.e. odometer reading, contact person, purpose of travel, etc.)
- Information must be specific enough to verify that the travel is project-related.
- Maximum mileage reimbursement is 42 cents per mile, per State policy and as required by Federal regulation.



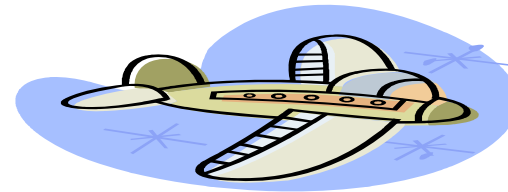


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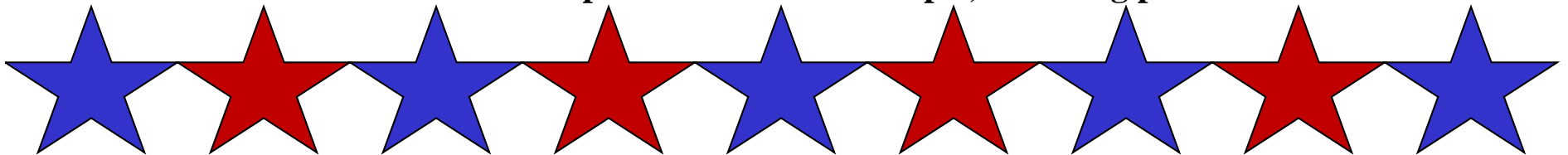
### MAINTENANCE AND OPERATIONS (cont'd)

- Out of State travel requires prior written approval by the VJA Program Manager.



- Subgrant organizations must adhere to the Arkansas State Travel policy, as required by Federal regulation, and the OJP Financial Guide which state, in part:

- The travel must be away from the official station, a minimum of 100 miles and the employee must be in travel status for more than 12 consecutive hours.
- Subgrant organization may claim, no more than the maximum allowable per diem for the area in which the employee is traveling.
- **No reimbursement will be provided without receipts, including per diem.**





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## PROFESSIONAL/CONTRACT SERVICES

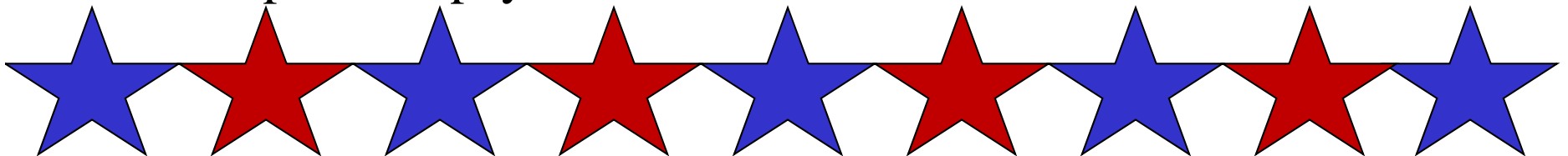
- Mental health services, legal representation, etc. are the most common items listed in this budget category.



- Subgrantees must follow the State's procurement process, including obtaining prior written approval, contract submission, bids, etc.

[www.dfa.arkansas.gov/offices/procurement/Documents/lawsRegs.pdf](http://www.dfa.arkansas.gov/offices/procurement/Documents/lawsRegs.pdf)

- Reimbursement must include a bill or invoice for the item along with proof of payment.

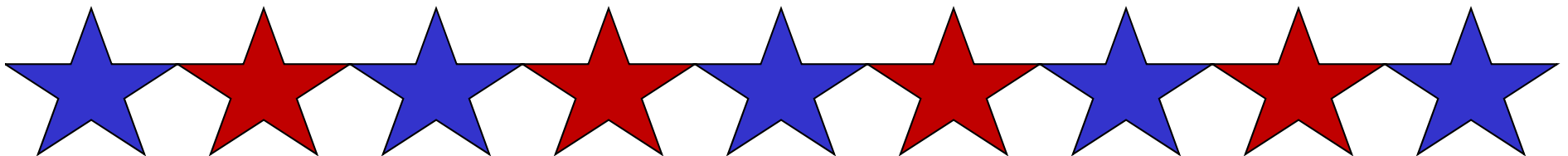




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## MATCH

- Match is a contractual obligation.
- Match is restricted to the same use as allowed for the federal funds.
- Supporting documentation for match must meet the same criteria as that used for requesting reimbursement.
- A value of \$10.00 per hour has been placed on the services of volunteer advocates providing direct services to crime victims.
- When using volunteer advocates as match, the subgrant organization must provide a completed “Volunteer Summary Match Form”, indicating the specific date that services were performed, the number of hours engaged in service delivery and a brief description of the service provided.
- A maximum of 8 hours per day per volunteer is allowable for volunteer advocate match.





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## WHAT HAPPENS IF THERE ARE ERRORS IN MY REIMBURSEMENT REQUEST?

<b>ISSUE</b>	<b>STANDARD OPERATING PROCEDURE</b>	
Reimbursement request unsigned or not signed by Authorized Official.	Request will be returned to the subgrant organization unprocessed.	
Use of incorrect and/or out-dated forms.	1 <sup>st</sup> Occurrence	Expense will be reimbursed when accompanied by appropriate supporting documentation.
		VJA staff will notify subgrant organization and send the correct form.
	Subsequent occurrences	Expense will be disallowed and must be re-submitted.
		Remaining items will be processed for payment.



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## WHAT HAPPENS IF THERE ARE ERRORS IN MY REIMBURSEMENT REQUEST? (cont'd)

<b>ISSUE</b>	<b>STANDARD OPERATING PROCEDURE</b>
Non-direct client services reported on the Volunteer Match Summary Report. (e.g. filing, paperwork, etc.)	Match amount will be disallowed, remaining items will be processed for payment.
	Volunteer activities must be direct client services in order to be acceptable as match.
Paid employees listed as volunteers on the Volunteer Match Summary Report.	Match amount will be disallowed.
	Remaining items will be processed for payment.
	Paid employees may not be used as volunteer match.

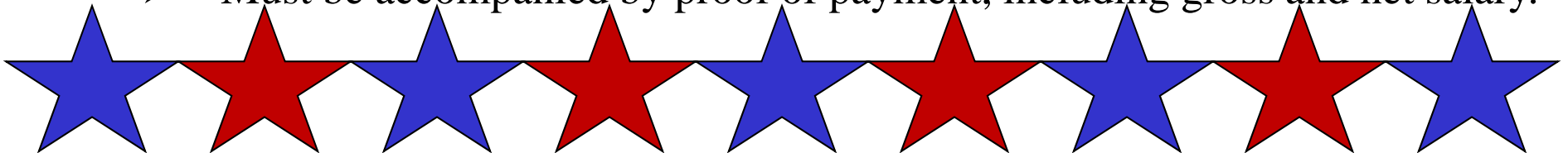




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## PRESENTATION REVIEW

- It is the responsibility of the subgrant organization to become knowledgeable of the applicable Federal and State Rules, Regulations, and Guidelines.
- Reimbursement requests must be received, no later than the 15<sup>th</sup> of each month.
- Appropriate supporting documentation must accompany reimbursement requests.
- No payments made directly to employees , except salary and travel/mileage reimbursement, will be reimbursed.
- Salary reimbursement :
  - Will be based on an hourly rate.
  - Must be accompanied by a signed timesheet.
  - Must use military time on the timesheet.
  - Must be accompanied by proof of payment, including gross and net salary.

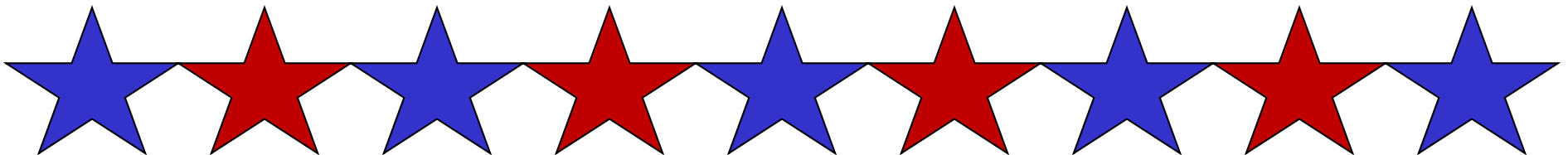




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## PRESENTATION REVIEW

- SUI reimbursement is limited to 3.6% of the first \$12,000 in salary.
- Maximum reimbursement for health insurance costs is \$390 per month.
- Reimbursement for retirement cannot exceed the APERS rate of 12.46%.
- Out-of-state travel requires prior written approval by VJA Manager and must comply with Arkansas State travel policy and the OJP Financial Guide.
- Supporting documentation for mandated benefits is no longer required, but must be maintained for on-site visit review.
- When necessary, budget revisions are allowable, however adjustments may only be made to existing line items. New line items are prohibited.





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## FINAL COMMENTS

- **DO NOT SEND** documents containing employee social security numbers. *(Please redact the documents that contains personal identifying information)*
- **DO NOT SEND** internal work documents, spreadsheets, etc.
- Subgrant organizations should always consult their VJA Project Monitor for direction **prior** to incurring a “questionable” expense.
- VJA staff will adhere to the procedures outlined in this presentation.





**State of Arkansas**  
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Victim Justice Assistance Program

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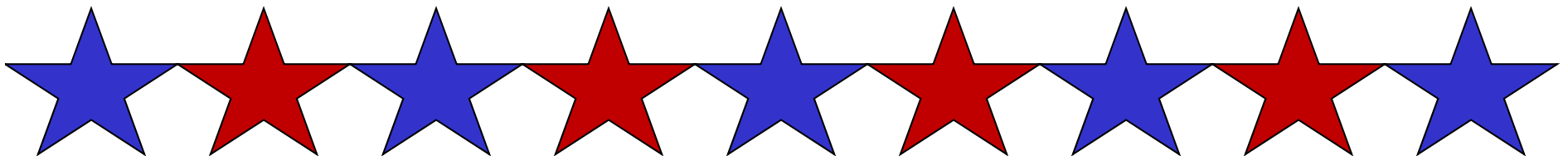
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QUESTIONS????

