

Ohio Attorney General
Mike DeWine
Crime Victim Services Section

Financial Policies and Procedures

Fiscal Year 2016-2017



Victims of Crime Act (VOCA)
State Victims Assistance Act (SVAA)



Crime Victim Services Section
30 E. Broad St. 23rd Floor
Columbus, OH 43215
Phone: 614-644-8694

www.OhioAttorneyGeneral.gov/victim

Dear Community Partner:

Enclosed, please find the Financial Policies and Procedures for the State Victims Assistance Act (SVAA) and Victims of Crime Act (VOCA) grant programs.

These policies and procedures are provided to give grant management guidelines and technical assistance to program partners regarding financial responsibility in the areas of record keeping and reporting, cash management and federal and state compliance.

Federal and state compliance ensures that The Ohio Attorney General's Office and our community partners (sub-recipients) can continue to remain at the forefront of the victims' rights movement, helping to lead the nation in creative and innovative ways to assist victims of crime in rebuilding their lives.

Please read the information contained in this packet carefully. If you have any questions regarding the proper use or reporting of these funds and are unable to locate the answers in this manual, please contact the Ohio Attorney General's Office of Crime Victim Services

at (614) 466-5610 or 1-800-582-2877. Lists and examples are not all inclusive.

We look forward to our continued partnership and thank you for your past work and great work to come.

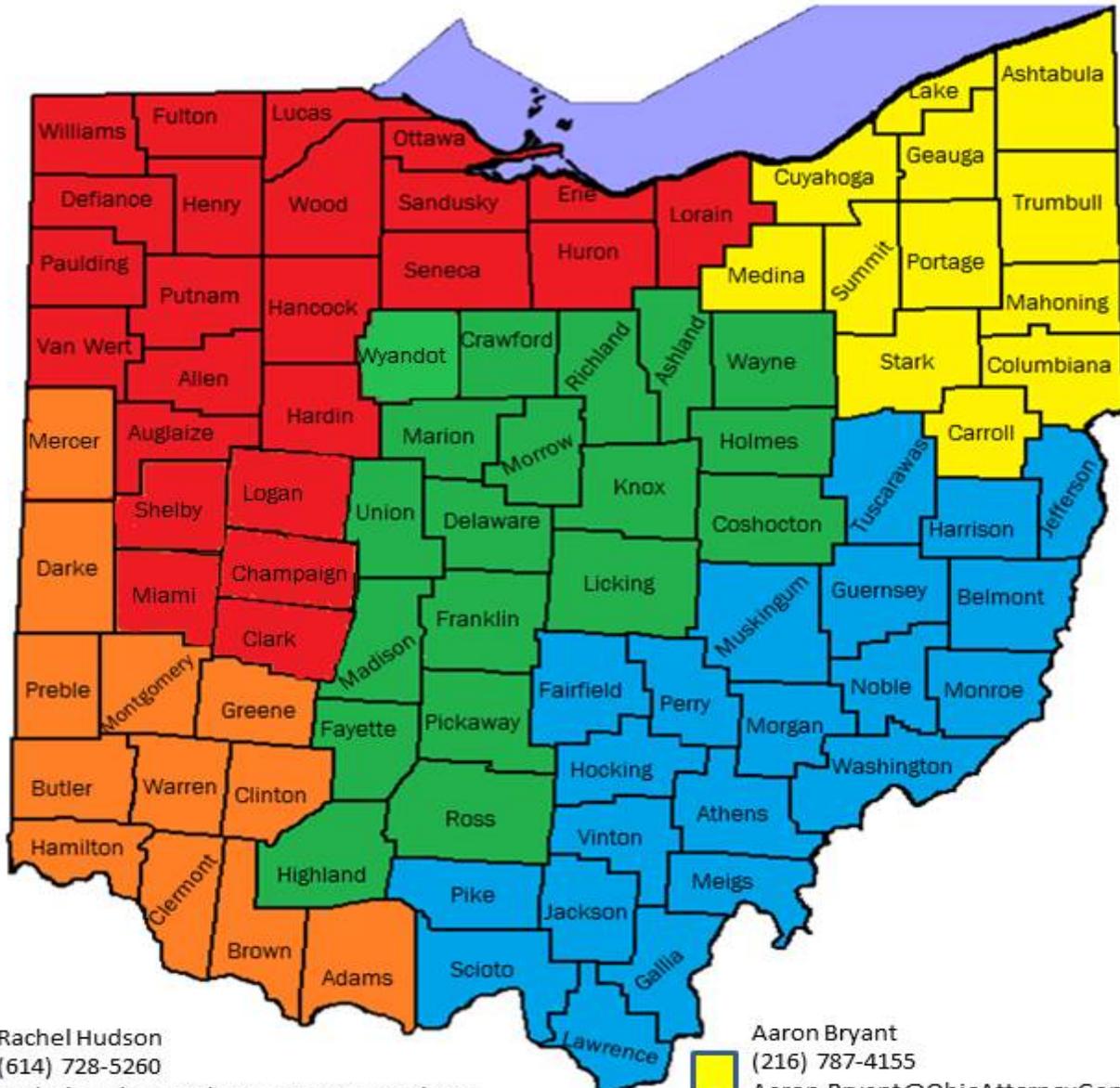
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2015-16 VOCA/SVAA Grant Specialist Regions



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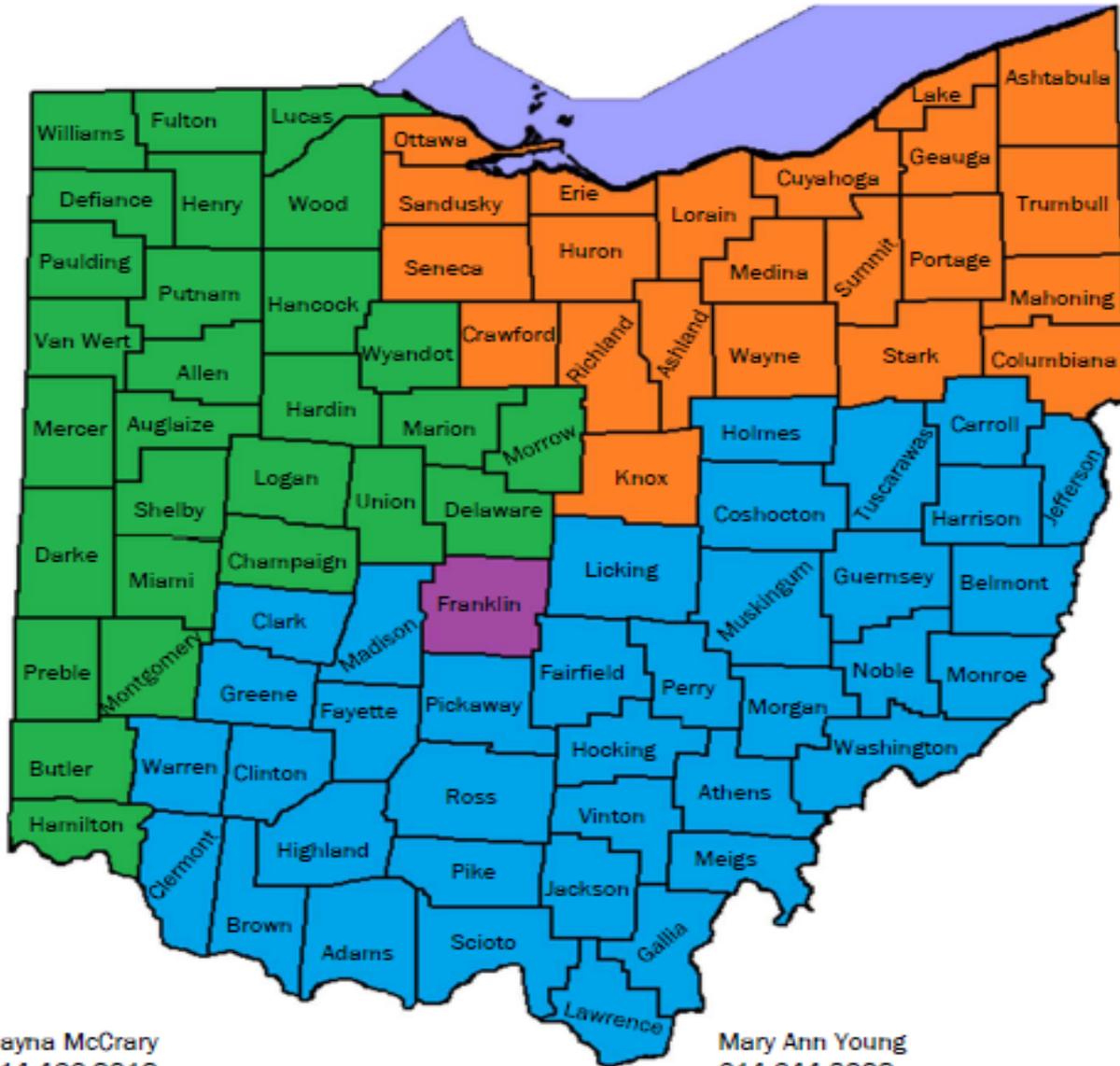
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TOTAL PROGRAM COST AND ACCOUNTING

- Total program costs include any and all federal VOCA funds awarded, SVAA funds awarded, Matching funds sources required for VOCA grants and any other sources included in the approved project budget or received as program income.
- The accounting systems of all sub-recipients must ensure that agency funds are not commingled with funds from other sources. **Each award must be accounted for separately.**

SUB-RECIPIENT PAYMENTS

VOCA and SVAA funds will be distributed for the 2016-2017 period commencing on or after

October 1, 2016, and ending September 30, 2017. VOCA payments are issued on a reimbursement basis beginning on the 15th of the month. Payments require approximately 14 calendar days from this date to be issued. SVAA funds are disbursed in four quarterly payments. Quarterly payments are issued to subgrantees on or before the 15th day of October, January, April, and July. SVAA grants of less than \$5,000 will receive a one-time payment equal to the full value of the grant.

Programs should have alternative funds to allow for time to drawdown funds from the Department of Justice and deposit those funds to individual programs. While rare, payments can take up to 6 weeks for processing.

No obligations will be allowed before the start date of the award or after the expiration date of the award. This applies to both physical items (e.g., supplies) and payroll items (e.g., leave accruals/vacation pay-outs.)

REIMBURSEMENT

- All recipients shall begin receiving their allocations once GAA documents are received and approved at the beginning of the grant period.
- Monthly financial reports are should be turned in by the 15th of the following month to ensure quickest payment turnaround.
- Payments are reimbursed based on monthly reported expenditures after all advance payment funds have been expended.
- Subrecipients will receive direct deposit reimbursements. All sub-recipients must be registered with Ohio Shared Services and any updates to fiscal information must be reported to this agency.

CASH ON HAND

Cash on hand is determined by subtracting the reported expenditures by sub-recipients from the amount of cash disbursements issued.

- The financial division of the Attorney General's Office of Crime Victim Services (CVS)

will monitor cash on hand.

- When cash on hand exceeds approximately one quarter's disbursement amount for quarterly paid grants, subsequent **disbursements will be suspended or reduced** until current funds have been spent.
- If a cash deobligation is required at the end of an award year, the payment must be submitted to CVS no later than 10 days after notification

- **MATCH REQUIREMENTS**

SVAA recipients are not subject to match requirements.

VOCA recipients are required to provide a 20% match share of the overall requested budget.

- The match funds may be in the form of **cash contributions, in-kind contributions, or a combination of both methods**. Match allocated for VOCA cannot be used or reported as match for other federal awards.
- **Cash match** must be derived from non-federal sources (i.e. funds from states and local units of government that have a binding commitment of matching funds for programs or projects), except as provided in the Office of Justice Programs Financial Guide, effective edition (Part III, Chapter 3, Match Requirements).
- Value of volunteer service is \$15.00 per hour for in-kind match purposes.

At least 50% of the match requirement for the fiscal year should be reported on or before the

March Financial Report which is to be completed by April 15, 2017. If this is not possible, please contact your grant specialist.

All matching funds required by your VOCA grant must be obligated by the end of the fiscal year.

- Sub-recipients are required to maintain records that clearly give details of the source, the amount and the date of all match contributions. Documents are also required that explain the basis for determining the value of items used for match for your grant. Examples of such items include personal services, materials, equipment and office space.
- Volunteer service documentation must include:
 - 1) Name
 - 2) Date
 - 3) Starting and ending time
 - 4) Description of services provided
 - 5) Total hours
 - 6) Volunteer signature
 - 7) Supervisor signature
 - 8) Location of service
- In-kind rent **must be documented with a lease** that verifies the value of the space donated. The cost of the space may not exceed the rental cost of comparable space and facilities in a privately owned building in the same locality. A letter to the grant

file from the rent provider will satisfy this requirement.

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- **GRANT ADJUSTMENTS**

Adjustments include any change to the terms and conditions of the approved grant application and the signed grant award and acceptance form. Requests for adjustments must be submitted to Crime Victim Services (CVS) in writing and must be in accordance to the procedures detailed below:

- A budget adjustment is the movement of grant funds between budgeted cost items, provided there is no change in project scope. **Adjustments are approved at the discretion of the Ohio Attorney General's Office.**
- Budget adjustment requests will be based upon the current balance of cost items
- Budget adjustments must be submitted by July 28, 2017. Adjustment requests submitted after this deadline will may not be considered.
- Budget adjustments will affect the remainder of a grant, beginning on the approval date. Budget adjustments are not retroactive.
- Budget adjustment requests are to be submitted to an organization's regional Grant Specialist via email. The Grant Specialist may request specific documents be provided or completed in order to facilitate the adjustment.
- If approved, the organizational contact will be notified via email by the Grant Management System. Once approved, the adjusted budget takes immediate effect.
- If denied, an organization's Grant Specialist will contact the organization to advise of the reason.

Beginning October 1, 2017: If your program is requesting to adjust up to 5 percent of your total allotment within a specified broad cost category (i.e personnel, supplies, rent, etc.), you will no longer need to contact our office for permission to do so (increases to salaries using this method will still require written approval). You can, of course, contact our staff if you have questions on new items/personnel you want to cover with those additional funds. It is still your responsibility to ensure new costs added using this method are allowable per the federal VOCA regulations.

Continued on next page.

Example Program Budget (pictured below)

| | | |
|---|-------------|---------------------------------------|
| Equipment | \$6,700.00 | Phones, 4 computer tablets |
| Equipment | \$12,500.00 | Fire Alarm System |
| Furnishings | \$1,200.00 | Office furniture |
| Groceries | \$23,500.00 | Food and supplies |
| Other | \$1,604.00 | Copier, computer software |
| Other | \$43,535.59 | Indirect 10% MTDC |
| Other  | \$3,500.00 | General and auto insurance |
| Other | \$3,000.00 | TDIM |
| Other | \$5,000.00 | Direct assistance |
| Other | \$2,000.00 | Payroll processing, background checks |
| Personnel | \$6,526.52 | Support worker |
| Personnel | \$2,680.77 | Civil Legal Advocate |
| Personnel | \$32,766.15 | Shelter Manager |
| Personnel | \$53,765.18 | Director |
| Personnel | \$37,285.44 | Legal Advocate Supervisor |

Using the new 5 percent rule, with a total amount (including matching) of \$19,200 in the equipment cost category, the program could move \$960 to other equipment not listed originally in the grant without making a formal budget adjustment request. Programs can report these new items on existing lines or programs can contact grant staff for assistance in relabeling existing lines. Please contact our staff if you have questions on this policy

PROPERTY AND EQUIPMENT

One-Time Purchases

One time purchases are the purchase of Equipment (a single item over 5,000), Appliances and Furnishings.

Per the Office of Justice Programs Financial Guide, programs are legally required to ensure that the equipment is used for criminal justice purposes. You must maintain property records which include all of the following information:

- -Description of the property
- -Serial number or other identification number
- -Source of the property

- -Identification of the title holder
- -Acquisition date
- -Cost of the property
- -Percentage of Federal participation in the cost of the property
- -Location of the property
- -Use and condition of the property
- -Disposition data, including the date of disposal and sale price

You must adhere to the following rules in equipment disposition:

- -If the item to be disposed of has a current per-unit fair market value of less than \$5,000, you may retain, sell, or otherwise dispose of it with no further obligation to the awarding agency.
- -If the item has a current per-unit fair market value of \$5,000 or more, you may retain and sell it, but the awarding agency will have a right to a specific dollar amount. Calculate this amount by multiplying the current market value or proceeds from the item sale by the awarding agency's share of the equipment. The seller is also eligible for sale costs.

Products and/or services may only be shared outside of the funded program of an organization if the purchase cost is pro-rated based on the percentage of use the funded program expects to see used.

Subrecipients are required to keep records and receipts for all purchases.

All equipment purchased through a VOCA and/or SVAA grant must be tagged with the applicable sub-grant number and purchase date.

Ohio Attorney General's Office reserves the right to dispose of, or direct the disposition of, any furnishings, equipment or appliances purchased with Victims of Crime Act (VOCA) or State Victims of Assistance Act (SVAA). This includes, but is not limited to, the following circumstances:

- Ohio Attorney General determines that the equipment, furnishings or appliances are not being used in accordance with the purpose for which the VOCA/SVAA funds were awarded.
- The sub-recipient's award is suspended or terminated prior to the end of the grant period.
- The sub-recipient's award period ends and the VOCA/SVAA project will not be continued.

REPORTING REQUIREMENTS

VOCA Financial Reports

- Monthly Financial Reports (MFR) are **to be completed monthly and submitted by the 15th for quickest reimbursement** (but don't necessarily have to be submitted every month and aren't considered late if they are submitted after the 15th). **If the 15th falls**

on a weekend, please submit reports on the next business day for quickest processing.

VOCA reports should be submitted no more than 4 months after expenses are incurred. For example, expenses incurred in December 2016 should be reported no later than April 15, 2017. Grant acceptance paperwork should also be submitted no later than January 31, 2017 (or 4 months after the grant is awarded). All reports for grants in the period 10/1/16 to 9/30/17 should be submitted no later than November 30, 2017 unless other arrangements have been made with grant staff.

SVAA Financial Reports

- Quarterly Financial Report (QFR) forms are **due** to CVS on or before the **15th** of **January, April, July, and October** (or contact your grant specialist).
- Sub-recipients who fail to comply with Crime Victim Services (CVS) deadlines may have disbursements temporarily suspended until reports are current. The suspension will include both VOCA and SVAA funds simultaneously. Subrecipients that consistently fail to comply with timely financial and/or grant reporting may be subject to having their current award, in whole or in part, suspended, reduced or terminated.

OUTCOME MEASURES AND PERFORMANCE MEASURE REPORTS

All VOCA and SVAA sub-grantees must complete quarterly outcome measurement. Failure to file such reports in a timely manner may result in suspension of an award.

The Office for Victims of Crime requires all VOCA funded organizations to complete quarterly Performance Measurement Tool (PMT) Reports. These reports are completed via the federal reporting website www.ovcpmt.org

These reports are due to the federal government every quarter. CVS will determine due dates every year, and applicants will be notified. Failure to submit these reports by the due date may result in suspension of grant payments.

Your login information will be provided to you within 30 days following the acceptance of your award. Please note that if you forget or lose your login information following the initial creation will require the sub-recipient to work with the OVC PMT HelpDesk to regain access to the account.

PROPER FINANCIAL RECORDS

Timesheets

All employees (**including salaried**) who are paid with VOCA or SVAA grant funds are required to complete a timesheet that confirms actual hours worked. All Volunteers used for In-kind Match must complete timesheets as well. Acceptable timesheets must include the following items:

- Name
- Pay period beginning and ending dates
- Date
- Time in

- Time out
- Lunch breaks (if unpaid)
- Hours worked
- Employee signature
- Manager/supervisor signature

Mileage Reports

Mileage reports must generally include the following items:

- Name
- Date of trip
- Purpose of trip
- Miles traveled
- Employee signature
- Manager/supervisor signature

Payroll Records

Payments of overtime and employee bonuses are not allowed without prior approval. Acceptable payroll records generally include the following items:

- Name
- Date
- Number of hours worked
- Rate of pay
- Gross pay
- Employer-paid fringe benefits

Invoices

Acceptable invoices generally include:

- Date
- Company name, address, and phone number
- Account number
- List of items or services purchased
- Purchase/agreement date
- Total cost

Rental Agreements

Whether your agency rents office space or receives space as in-kind donation, you are required to

have a written rental agreement or statement of in-kind value. Acceptable rental agreements generally include:

- Date of agreement
- Terms of agreement
- Payment details or value of in-kind contribution
- Signatures of appropriate parties

Utility Bills

Acceptable utility bills generally include:

- Company name, address and phone number
- Account number
- Billing period
- Service address
- Total cost

Unallowable Expenditures

This list is not all inclusive. Always call a finance staff member if a purchase is questionable.

- Direct cash assistance to victims (gift cards, deposits, checks, cash, etc.)
- Gasoline or car maintenance unless vehicle was purchased with VOCA funds
- Payment of deposits (rent, utilities, etc.)
- Food costs outside of budgeted grocery expenses for shelters

DESK REVIEWS

Each VOCA and/or SVAA sub-recipient will receive a request for a mandatory desk review regarding a previously-reported financial report. Generally, subrecipients will receive a request for a desk review at least once every 24 months. A desk review will consist of the subrecipient submitting backup documentation for the expenses reported on a specific reporting period outlined in the desk review request letter.

ON-SITE REVIEWS

It is the intent of CVS to conduct an on-site review at least once every 36 months. For monitoring purposes, sub-recipients are required to make records available that support the data reported on the financial and performance reports, including, but not limited to, invoices, payroll journals, bills, receipts, cancelled checks, timesheets, travel expense reports, collaboration meeting minutes, training agendas, case files, etc. On-site visits may also include a tour of the facility when appropriate. During site visits, Crime Victim Services staff may also check purchased equipment to ensure it has been properly identified and labeled.

RECORDS RETENTION

All financial records, supporting documents, statistical records, and all other records pertinent to the

award must be retained by each organization for the length of time shown below:

- VOCA grant documents: 3 years
- SVAA grant documents: 5 years

PASS-THROUGH ENTITY RESPONSIBILITIES

The Ohio Attorney General's Office, the pass-through entity for the VOCA and SVAA grants, monitors the activities of all subrecipients. This is necessary to ensure that awards are used for authorized purposes in compliance with state and federal laws, regulations,

and the provisions of contracts and grant agreements. Monitoring also is used to determine that performance goals are achieved.

SUB-RECIPIENTS FINANCIAL RESPONSIBILITIES

An internal control requirement is a process coordinated and designed by an entity's management and other personnel to provide assurance regarding the achievement of management objectives in the following areas:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

All subrecipients should have internal controls that will help them meet their financial compliance responsibilities and ensure the following:

1. Transactions are properly recorded and accounted for to:
 - Permit the preparation of reliable financial statements and reports;
 - Maintain accountability over assets; and
 - Demonstrate compliance with laws, regulations, and other requirements.
2. Transactions are executed in compliance with:
 - Laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on a state or federal program;

AUDIT REQUIREMENTS

- Federal Audit Requirements:
 1. Non-Federal entities expending \$750,000 or more in a year in federal awards shall have a single audit, or program-specific audit conducted for that year conducted in accordance with the provisions of OMB Circular A-133.
 2. Audit copies are due no later than nine (9) months after the close of each fiscal year. Please submit to your grant specialist
- Non-federal entities expending less than \$750,000 a year in federal awards are exempt from federal audit requirements, but are still subject to subrecipient monitoring.

PUBLICATIONS

All publications funded in whole or in part by VOCA or SVAA must have the following language:

VOCA

- *"This publication was supported by grant number _____ awarded by the Office*

for Victims of Crime, Office of Justice Programs, U.S. Department of Justice, through the Ohio Attorney General's Office"

- VOCA-funded publications must also state that "***victims of federal crimes will be served.***"

SVAA

- "This publication was supported by grant number _____ awarded by the Ohio Attorney General's Office"

Glossary of Terms

Cash Match – A percentage of the grant that must be paid by the sub-recipient in cash. This includes any cash expenditures made by the sub-recipient for project-related costs (with the exception of the purchase of land).

Commingled – To combine funds granted for different program purposes or from different funders into a common fund.

Deobligation – A reduction of a grant award with a corresponding return of funds. Usually occurs at the end of a grant period.

Desk Review – A request from Crime Victim Services (CVS) to the sub-grantee which consists of program submitting documentation confirming expenditures of a submitted financial report. Desk reviews allow our staff to determine if sub-grantees is keeping sufficient backup documentation for reported expenses.

Disbursement – Payment of grant funds to subrecipients via state warrant (check) or electronic transfer.

Equipment – A tangible non-expendable item with a useful life of more than one year. Examples include copiers, printers, and computers.

In-Kind Match – Goods or services donated to a program or project where the value of the donated item is used to fulfill the matching obligations of the grantee.

Obligation – A legal agreement stipulating commitment to incur allowable expenses

Pass-Through Entity – An entity that receives a federal award and then grants funds out to other agencies.

Single Audit – Audit of a non-federal entity which includes both the entity's financial statements and its federal awards. Non-federal entities that expend \$750,000 or more in a year in federal awards shall have a single audit conducted in

accordance with OMB Circular A-133

Subrecipient – the entity that expends federal awards received from a pass-through entity to carry out a federal program; does not include an individual that is a beneficiary of such a program.

Subrecipient Monitoring – Review of financial and programmatic activities conducted by the subrecipient during the program period. Monitoring provides reasonable assurance that every subrecipient administers federal and state awards in compliance with the Government Accounting Office