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**OVC  
Webinar Transcript**

**2012 OVC Discretionary Grantee Orientation Series**

**Financial and Legal Responsibilities**

**November 29, 2012**



## **Welcome**

*(audio recording begins with welcome comments in progress)*

Sharron Chapman: ...have potential to have an issue or a hiccup in this session today. So in the event of any problem, please be patient and remain on the line, and the Webinar session will resume as quickly as possible.

## **Agenda**

Sharron Chapman: During the next 90 minutes [here is what] we are going to cover: after our welcoming remarks from Shelby Jones Crawford who is speaking on behalf of our Acting Director Joye E. Frost, we will then move on to identifying and classifying costs, conference planning, costs and reporting, financial reports, the top 10 audit findings, key legal issues, other legal requirements, and then we will have time for some closing remarks and additional questions and answers.

## **Presenters**

Sharron Chapman: In addition to myself, as I mentioned, we will have opening remarks by Shelby Jones Crawford, also at OVC. We will also hear from Michael Williams, an OCFO from the Office of the Chief Financial Officer, and Charles Moses and Kristopher Brambila, who are both with the Office of the General Counsel.

## **Learning Objectives**

Sharron Chapman: By the end of our session today, the participants will be able to identify the four basic types of costs and classify costs. You will learn about the conference approval process, conference guidelines, and reporting requirements. And you will also learn how to submit financial reports.

Sharron Chapman: In addition to those, we will learn the difference between a grant and a cooperative agreement, we will learn where to find the legal requirements applicable to all OJP awards, and learn the basic rules about lobbying, faith-based organizations, human subjects protection, and conflicts of interest that apply when using OJP funds.

## **Webinar Tools**

Sharron Chapman: There are a few tools that we have available today that we are going to use to hopefully keep everybody engaged and awake. As noted at the bottom of the screen, all participants will be muted for the duration of today's Webinar, and that will decrease background noise. So we will be taking questions through the chat box, which is located on the bottom left of your screen. Does everybody see that? I see some hellos there, so hello right back at you. We are also going to have moments during the session today where you will have quiz questions, and when that happens you will be able to – sorry, we are not doing quizzes today. We will have a feedback box that we are going to use just right now, for instance, it is right above the chat box, and we will use that just to make sure that everyone is paying attention and is able to participate fully. For instance, right now if you are able to hear me okay, please check yes or no so we can make the appropriate adjustments. Can everyone hear me and are you able to see the feedback box? Okay, looks like that is a yes. With that, we will move on to opening remarks from my colleague, Shelby Jones Crawford.

## **Message from Shelby Jones Crawford, Victim Justice Program Specialist, OVC**

Shelby Jones Crawford: Hello, everyone. As Sharron indicated, I am Shelby Jones Crawford and, on behalf of the U. S. Department of Justice Office for Victims of Crime and our Acting Director Joye E. Frost, I would like to welcome you and thank you all for joining us. Again, today's session is the second of four sessions for this very important Webinar series. While each session addresses significant topics that are key to the administration of your grant, this session is particularly critical as today's presenters will discuss financial and legal requirements, as well as some ethical considerations. You will hear from three specialists who are quite knowledgeable about all these topics.

Shelby Jones Crawford: One of the topics that will be discussed concerns conference cost reporting. Over the last, I guess, year or so, conference cost policies have changed a good bit. We understand how tough it can be trying to keep up with these, so today, more than ever, it is important to pay close attention to conference and event costs, and to scrutinize them carefully. Your OVC grant monitor, who is your central point of contact, can help you with this and many other grant related concerns. Your grant monitor is central to the administration of your grant and can work with you to problem solve and to keep your grant on track. That said, you should know that customer service is our very highest priority. You will always hear back from your grant monitor in a very timely fashion, and they are happy, as always, to work with you and to provide any assistance that you need. You know, grant administration is much more complex than it was about 5 years ago, and while the process is not particularly glamorous or exciting, it is very important nonetheless.

Shelby Jones Crawford: So now, before we move on, I would like to recognize and give a special thank you to Team OVC and our Training and Technical Assistance Center for their hard work in putting this Webinar together. Thanks, everyone. And to our audience, we look forward to working with each of you and highlighting the important work that you do. Again, thank you for joining us today.

Sharron Chapman: Thank you, Shelby, for your remarks, and now we will move on in our agenda and we will start with our presentation from Michael Williams from OCFO.

## **2012 OVC Discretionary Grantee Orientation Series – Grant Financial Management**

Michael Williams: Thank you, Sharron. It is a pleasure to be here today in order to present this, I agree, very valuable topic at this particular time. I think the subject matters that have been designated are very important and are useful for all grantees that have grants with the Office of Justice Programs. So with that being said, let us get started with my presentation.

### **Identifying and Classifying Costs**

Michael Williams: First of all, I was asked to talk about different types of allowable costs. I have identified this particular section to be "Identifying and Classifying Costs," and I think that is very important with grant recipients to know how to identify certain costs, whether or not they are allowable under your specific DOJ program, and then how to classify them to find out what categories things are falling in. So that is what this presentation will hope to accomplish here.

## **Four Basic Types of Costs**

Michael Williams: So, first of all, basically I feel there are four different types of costs, and these are the ones that I plan on going over. So cost is either allowable cost, such as allowable under the program, it is unallowable because it is not allowable under the program, or the cost has not been authorized (and I will get into that a little later in this section), and/or the cost is deemed excessive or unreasonable.

Michael Williams: So, first of all, let us look at costs that are allowable. In most cases, to identify any type of cost, we need to make sure that that particular cost is necessary, reasonable, and allocable for that particular program. Based on that particular cost, we want to make sure that it is not prohibited by any type of state laws or regulations. Based on that, the costs should be able to be properly identified in your accounting system to make sure that if there are any costs that are limited by law or have any types of special conditions associated with them, that your accounting system will recognize that and not allow your charges to be input into your accounting system that are not allowable costs.

Michael Williams: Second, unallowable costs. And we are talking about costs that are not allowed under a federal program. In most cases, some solicitations [unclear] do a very good job at identifying certain costs that are not allowable under a particular program, and then in some cases you can even utilize the *Financial Guide* to find other costs that are not allowable. But just as a sample of some of the costs that are not allowable: normally lobbying, land acquisition, fund raising, entertainment, any types of contingencies – now there are some times when a contingency can be allowed under a program, but there are very few [unclear] where that is allowable – and alcoholic beverages. I would like to add to that now, because of the conference cost requirements, that now food and beverage are deemed unallowable under grant programs.

Michael Williams: Now, costs that are not authorized or costs that were not consented by the awarding agency – so that means that either they were not originally in the award application and/or costs that occurred before the award or after the award. So if there is no consent from the awarding agency, these costs technically are not authorized. Now, being that they are not authorized does not necessarily mean that later on, based on the nature of the cost and the grantee's justification for incurring the cost, that it may be allowable. But, again, before we incur any type of cost, I would always encourage you to reach out to your program person in order to discuss that first.

Michael Williams: Finally, costs deemed excessive or unreasonable, and this is what we are talking about when the cost, by the nature of itself, would it be a cost that would normally be incurred by a prudent person? So, again, let us say an example: Is it reasonable to pay in excess, and I will just use a dollar amount, \$50 in excess of the lodging cost based on the federal per diem? So again, that would be deemed excessive or unreasonable, and then based on this charge, we may require that the grant recipient uses the federal guidelines as opposed to any other type of guidelines.

## **Code of Federal Regulations Major Provisions – Classification of Costs**

Michael Williams: So now, classifying costs, let us look at some of these costs in classifying costs. So when I say classifying costs, I am really talking about two methods of cost. Either the cost is a direct cost to the award, and this cost can be specifically identified with the application, and normally I think of salaries, equipment, and things of that nature. So I can specifically

identify how this particular cost is going to be associated with this program and how it is going to benefit. So normally, I will see under direct costs: salaries and wages, travel costs, materials, and supplies.

Michael Williams: I have one question and this question is: Does the market determine excessive costs such as hotel? I want to say no, the market does not determine the excessiveness, and the example that was given was hotels. I will give you an example for that particular cost. I am scheduled to travel next week to Palm Springs and the government rate is \$99 per night. However, when I went on the Web site today when they sent me my confirmation, the going rate for Palm Springs is \$160 per night. So again, that fluctuation being especially seasonal and maybe even tourist time, that would not dictate whether or not something is reasonable or excessive. There are certain things, especially in reference to travel, where we have tools at the GSA Web site where we can go look to see what is considered reasonable. That is a good question.

Michael Williams: Another question: What if the hotel refused to give the federal rate? The thing to keep in mind – and it is not a part of this session – is OJP has a requirement that if you are utilizing federal funds for lodging and you are sponsoring an event, if you are having 30 or more participants at this particular event, you are required to get the federal rate for lodging. The key here to remember is that hotels are in the business to make money, so truly if you bring them a large crowd, 30 or more, which is highlighted in the *Financial Guide*, then you are in a better position to work with the hotel in order to get them to negotiate the indirect cost rate. However, also in the *Financial Guide* it states that if the amount of attendees is less than 30, then you are exempt from this requirement. So if the hotel does not honor the rate, can you stay at that hotel anyway? I would honestly, based on the numbers that I gave in reference to the 30 or more, if we are talking about just one individual going to a hotel, you have to follow your agency's policy and procedures. However, if you do not have any policies and procedures, you must follow the federal guidelines. So, yes, we will hold you to the federal guidelines. But again, I would always say use the one that is most restrictive, and in most cases some organizations do have certain types of exceptions for when they do local and out of town travel.

Michael Williams: Are hotels required to honor the federal rate? I will answer this two ways. Yes and no. Yes if you are a federal employee, and no if you are not.

Michael Williams: Our next topic: indirect costs. Indirect costs can be kind of tricky. Indirect costs, basically, are costs that benefit a program but in most cases can be hard to distinguish the true value of that particular cost, and here is what I mean. Based on the slide that is before you, depreciation can have a benefit to a particular program because you are depreciating the building, but how to measure that can be difficult. So I always suggest that if you are dealing with cost that is hard to distinguish, then naturally, it probably needs to go into an indirect cost pool or you need to get one. Now, unfortunately, if you are not an accounting geek like myself, there is no cost that I cannot directly back into and find out what the actual cost is. The only problem with that is how long will it take me in order to find out what the true nature of that cost is. So, for example, if you have let us say two awards, you can directly charge expenses to those two awards by allocating some type of time ratio to it. But once you start getting up into 10 or 15 grants, it is probably easier to put that individual's salary into an indirect cost pool, and whatever that percentage is, charge that between the various grant programs.

Michael Williams: In reference to the indirect costs, you also have to worry about the different rates. So there is a provisional rate, and the provisional rate is normally what the grantee is currently using with OJP now because it was approved by OJP, and then at the end of that period

it is subject to adjustment. The next one, the predetermined rate, it is predetermined and normally it is not adjusted or subject to adjustment. The fixed rate: Fixed rates can be fixed but they are subject to either rollover or carry forward adjustments in future periods. And the thing about the indirect cost rate, it implements or brings about the cognizant federal agency, and all that means is that the cognizant federal agency is required to negotiate the indirect cost with the grantee organization based on the dollar amount of federal assistance that particular organization received. To give an example, let us just say that you have two funding sources, the Department of Justice or OJP and let us just say HHS. If the Office of Justice Programs provides that organization with the most federal funding, then OJP becomes the organization's cognizant federal agency, and not only are we required to negotiate the indirect cost rate, but we are also required to address any types of audit finding against that organization as well.

## **Questions?**

Michael Williams: That is the first section about allowable costs. Are there any additional questions that are out there?

Michael Williams: Who sets the predetermined rates for indirect costs? Indirect cost rates are actually presented to us by the grantee. They fill out a form for applying for indirect costs based on their audited financial statements. That formula that they utilize will come out with a percentage of what that rate should be. That is what they submit to their cognizant federal agency and then they negotiate. So keep in mind, just because the rate based on your audited financial statements, however, may come up to one particular percentage, it is the federal organization's privilege or responsibility to look at that and assess that particular rate and negotiate either a lower rate or authorize that particular rate.

Michael Williams: I have a question that asks: Does the maximum federal rate to charge, is it before or after taxes? Can you give me an example? I am not sure of the nature of that question. Okay, so clarification since we are talking about the per diem rate, does the per diem rate include taxes? And that answer is no. For example, the lodging that you would pay at a hotel, it is one rate plus any types of taxes that are associated with that. So that is one thing you want to be mindful of when you submit your application, that if you know or have an idea what the taxes are, you want to make sure that you include them as well. Because if you only include the lodging rate, the actual overnight lodging rate, you may be short when it comes to reimbursing that particular cost.

## **Conference Planning, Costs, and Reporting**

Michael Williams: Okay, conference planning, costs and reporting. A very, very hot topic. Again, it has been something that we have been dealing with for the last year. It truly came about as a result of various audits that were performed where costs were, based on my example earlier, were unreasonable and not necessary. So, as a result, we have come up with the Conference Planning Costs and Reporting Guidelines.

## **Planning, Approving, and Reporting Conference Costs**

Michael Williams: I will briefly touch on the reason for the policy, conference definitions, conference guidelines, cost categories, approval levels, and reporting requirements.

Michael Williams: So starting off, let us give you a little history about the policy or the reason for the policy. The policy is actually to ensure stewardship over federal funds, and not only does this

take into account of that, but the *Financial Guide* and other types of circulars are looking to make sure that grantees are responsible when it comes to federal funds and, again, the Department's core missions are supported. So again, this policy came about as a result of that.

Michael Williams: A definition for the conferences. Conferences normally from the travel regulations are basically pre-arranged events. These pre-arranged events could be meetings, retreats, seminars, symposia, or training activities. Again, training activities is kind of broad because there are a lot of things that may end up being a training event that may or may not require a prior approval. So again, based on a pre-arranged event, you have designated participants and you could have a registration, a published agenda, and scheduled speakers.

### **Conference Guidelines**

Michael Williams: Cooperative agreement recipients and contractors must seek OJP's written prior approval, prior to putting on any conferences, and also, as you will see later in the slides, prior to incurring any cost. The request must be submitted to OJP within 120 calendar days in advance of either the start date of the conference, deadlines for signing any type of hotel contracts or any other types of contracts, or obligating any funds in reference to the particular conference. But, as you can see, you can incur minimum costs for submitting this particular request, so doing the research in order to submit this particular request.

Michael Williams: All cooperative agreements and contractors must complete the Conference and Event Submission Form. I will give you the Web site in a minute, but this is on the Web site, you must complete this. There are also instructions on how to properly fill this out and submit it. All supporting documents should be embedded, and this is very important, you want to make sure that you are embedding files into the spreadsheet. The importance with embedding them allows, especially if there are multiple pages to the document, it allows us to view those pages one by one. However, you do not want to cut and paste because if you cut and paste, the only thing that I will be able to see or that we will be able to see is the front cover of any type of document.

### **Cost Categories**

Michael Williams: So, now let us look at the various categories that you will be including costs on. Conference meeting space, again, if there are any costs for conference meeting space, and this should also include any breakout rooms, so if you had breakout rooms along with that, all of that total cost should be included in conference meeting space.

Michael Williams: Audio-visual equipment and services, so again, this is not only looking for the audio-visual cost, but any fees or services for that need to also be included in it.

Michael Williams: Printing and distribution are still allowed, but I still want to make this point to you right here. We are still encouraging grantees, to the extent possible, to make any printed type of material available on some type of Web site prior to any event, making the participants able to print this out prior to coming to the event. But again, printing and distribution costs are allowable costs under the conference planning event.

Michael Williams: Meals: I am going to say meals and refreshments, which they are. They are not allowable unless there are circumstances that may dictate you having to provide meals or refreshments. Prior to doing that, I would suggest that you reach out to the program office, explain what is going on before you submit that, because that can avoid a lot of back and forth with your particular submission form.

Michael Williams: Meals and incidental expenses, or what we normally call M&IE. Lodging: Okay, lodging cost needs to be in there and, again, based on the question that was asked, any taxes that are associated with that, you want to make sure that you also include that in the lodging.

Michael Williams: Local transportation: A common carrier, whether we are talking about air planes or trains. Again, that information should be reflected in Section 8 of the form. Local travel, keep in mind if you are talking about rental cars, taxis, using your own vehicle, that information is reflected in #9.

Michael Williams: Logistical planners and programmatic planners have limits or thresholds based on the amount of people that are attending, so be mindful to look at the guidelines for those thresholds. And, again, when you are filling out the form, if you exceed those thresholds, that particular line item will turn yellow. So it does not mean that you cannot submit it where it exceeds the threshold, but at any time when you exceed the threshold, you must submit a justification as to why this particular threshold was submitted. Now, again, be as detailed as possible because if logistical planner was exceeded by the amount that is authorized, you need to explain the nature of the person or the people who are doing this and why, and it could be the number of attendees, but you need to be as detailed as possible as to why you are still submitting it and it exceeds the threshold.

Michael Williams: External trainers, instructors, or presenters. Even though it says “external,” if your agency is providing presenters at an event, their fees or their salary is also included in Section 12. So this is for internal presenters and/or external presenters.

Michael Williams: Section 13, the “other costs” category. I always like to say in our regional sessions when I do the budget that if a cost did not fit neatly in the categories that I just went over, that it needs to go into the “other” category, and I say that in this section as well. However, be mindful of the amounts or the items that you put in here because I have seen where in the “other” category they had parking fees and tolls. Technically, that should be up under local transportation. So again, make sure that the amounts that you are putting, or whatever it is, in #13 actually does not fit neatly in another category.

Michael Williams: And #14, the indirect costs. If you have an approved indirect cost rate when you are submitting this, then indirect costs can be put in there as well. However, if your negotiated indirect cost rate has expired, you really want to think seriously about either taking that cost out or not submitting it until your new rate has been approved.

## **Approval Levels**

Michael Williams: So now, let us talk about approval levels, which are very important. The top one says if it is \$100,000 or less, the Component Head and/or OJP, staying in-house, we will review this request that you submit. However, if in that request you have refreshments or a cost category that exceeds any threshold amount, then that amount will leave OJP and go to the Assistant Attorney General for approval. If it is predominantly an internal conference held in a non-federal facility, regardless of the cost, then that will go, again, outside of OJP and go to the Assistant Attorney General for review. If the cost of the event is more than \$100,000 up to \$500,000, again this is the one that is going outside of OJP, and I want to stress here that it is very important that you get that to us at a minimum of the 120-day requirement. Then last, if it is more than \$500,000, it is going to the Attorney General. I would strongly encourage you that if you

ever have an event that is over \$500,000, you go back to anybody that you can to try to get those numbers reduced because it will probably be very difficult to send a request for more than \$500,000 to the Attorney General.

Michael Williams: So now, let us look at those thresholds that I was talking about earlier. Logistical conference planner, it is limited to \$50 for each attendee, not to exceed \$8,750. I gave an example down at the bottom. For example, if you have an event that has 100 attendees, based on the \$50 per attendee, that comes up to \$5,000, so you are within the range. So again, based on the 100 attendees, if that amount was \$6,000, even though it is under the \$8,750, it exceeds the \$50 cap for individuals, so that cost would need to be reduced and/or proper justification would need to be submitted as to why that cost is higher than the \$50.

Michael Williams: Programmatic conference planner is limited to \$200 for each attendee, not to exceed \$35,000. Again, down at the bottom I have given an example of \$200 based on 100 attendees, it comes up to \$20,000. Again, if that amount for the 100 attendees happened to be \$25,000, we would need to go back and lower that because it would exceed the threshold requirement.

Michael Williams: Now, conference space and A/V meeting room is a little tricky because it is looking at two factors. It is limited to \$25 per attendee, not to exceed \$20,000. But there is a different twist to this particular one, as you can see down in my example. Based on the 100 attendees times the \$25 per day, it also incorporates the amount of days that this event will be held. So based on this, this is a 3-day event so there is another component that you have to factor in there, and this amount came up to \$7,500. Again, you want to make sure that if it exceeds the threshold, that you obtain justification in order to get that done.

## **Reporting Requirements**

Michael Williams: Reporting requirements. The conferences that cost the Department more than \$20,000 must be reported on. However, we are no longer utilizing GMS in order to submit these forms, so now you have to submit it back through the conference Web page, and you will find the address on our Web page where you are supposed to send this back. Because what we are looking for now is you comparing for us what you proposed, or what was estimated, back to the actual cost. Based on that, if there are any deviations of 10 percent or \$1,000, you must provide additional justification in there with that. In your report, the following information should be provided: your comparison of the actual cost with the proposed cost, and again, like I said, if it is 10 percent or \$1,000 deviation, you must add additional justification to that.

Michael Williams: Now, when a prior approval amount exceeds \$20,000, each grantee is expected to report in the system within 45 days after the end of that event. If the actual cost to the grantee came in under \$20,000, you have to reach out to us one way or another and let us know that technically you are no longer required to report. So you can either fill out the form and submit to us showing us that the actual cost was under \$20,000, or reach out to your program manager and give them that information so that it can be a part of our official records.

Michael Williams: Here are the Web sites in order to submit your conference information, your request. BJA has its own Web page where you are submitting this information and that is it. All other components of the Office of Justice Programs will submit to the bottom one: the OJP Conference Web page.

## **Questions?**

Michael Williams: All right, I have a question. Please clarify number of prior submissions. I thought it was 90 days to 120 days. It was actually changed to 120 days, and 90 days was actually an error on our part because we were looking at submissions that needed to go outside of OJP, and originally they required us to give them a 90-day window in order to review anything that needed to go to the other agency. So as a result of that, with their lead time being 90 days and we asking you to submit it to us in 90 days, it never gave us a chance to review your submission. So we had to add 30 days to that, and that is where the 120 comes from in reference to submitting that outside of the agency for that additional approval. I want to say, and it is very important, that if it is over \$100,000, that you really stick to the 120-day deadline in any case, because we cannot guarantee that your event will be reviewed and approved in a timely manner if it is not submitted to us within the 120 days.

Michael Williams: Next question. Do the staff that are already covered under the grant count as logistical program planners? Yes. If I am using my own staff in-house for logistical or programmatic planner and they are part of that grant and they are going to be involved in this event that I am planning, they need to be identified in the submission and their cost when I am submitting that event conference into the Office of Justice Programs.

Michael Williams: Next question. Conferences organized for support staff by the organization which are indirect costs, do we need to seek authorizations from OVC? I am not sure. Let me take a stab at this. Conferences organized for support staff by the organization with an indirect cost, do we need to [voice trails off... ] Let me get back to this one.

Michael Williams: Would using on-campus dorm fees be classified as a hotel? Good question. Actually, this particular situation just came up on an event that I am reviewing now. Nine times out of ten, if you are staying in a dorm – or the one that I am looking at is actually a police department that has facilities – naturally you can claim the lodging rate for that particular locality where you are. But in most cases [what] we see, and hopefully this will be the case, is that by staying at that particular facility, they have offered something less than the federal rate. So again, be mindful that you can claim up to the per diem, but in most cases we find it to be less than what the actual per diem rate is.

## **Financial Withholdings (GANs)**

Michael Williams: Okay, we are going to move on right now. Financial withholdings. I was asked to talk about various types of holdings, and being financial, I can only talk about financial withholdings. Keep in mind, there can be programmatic withholdings, so let me give you a look at some of the financial holdings that you may see.

## **Special Conditions**

Michael Williams: There could be a holding on your particular grant if your budget has not been approved. So the special condition that you may see is that you cannot expend, obligate, or draw down funds until your budget has been approved. We have been talking about indirect cost rate; if your indirect cost rate has expired, you may be able to start implementing your program, but you may not be allowed to charge any indirect cost against that award until your indirect cost rate has been approved. Delinquent financial reports, if your financial report has not been submitted within the 30-day requirement, your funds will be frozen. In some cases, if your audits are

delinquent, again there may be a special condition to stop the grantee from doing anything on that particular program until the audit is submitted. And if there are any types of outstanding debts that are due to the organization, it is possible that there may be a financial withholding against that particular grant.

## **Financial Reporting SF 425**

Michael Williams: Now let us talk about reporting. One of the topics they wanted me to cover was reporting, so let us talk about reporting. Based on the – I still call it the new SF 425 because I am so used to the SF 269 – but based on the SF 425 a lot of things changed with this particular form. Again, the amount of time when it was due, SF 269 was due in 45 days, but now the SF 425 is due within 30 days.

Michael Williams: So if you need to fill out a form, the first thing that you are going to do is to go into the GMS system because that is where you have to fill it out. Put in your password and user ID, and then over to the right-hand side you will see where it still says “financial report,” that is why I am probably still used to that. If you click on that, it will take you into that particular award that you need to fill out a report for. Based on this particular view here, you will see that a lot of the information is pre-populated. The first white box that you see, which is #5, is the first field that you can input text in. So I suggest if you are dealing with quarterly reports where your accounting system has assigned some type of number to that, you can utilize that for that particular section.

Michael Williams: In filling out the report, as you can see, the top section is grayed out for you. Some organizations ask grantees for cash information for their awards. The OJP does not ask grantees for that information because we have it in-house in our accounting system. So the first thing that we will look for you to start filling out, or the information that is available to you, is Section D. Section D will let you know the total amount of that award, previously reported in Section E, if there is an amount that has been previously reported, you will see it in there. If not, over in this period you are putting in the cost that you have incurred for that particular quarter, and the system will automatically calculate that for you. If there is any cost that has not been paid and you are on the accrual basis of accounting, if you have salaries and/or an invoice that needs to be paid, that information should be placed in F, and G will automatically calculate it and reduce the amount from the award amount, leaving you H, the unobligated balance still left to be obligated on that particular program.

Michael Williams: The Recipient Share, if you are required by the program to put in match in this particular program, the GMS system will automatically pull that amount and put it in the system for you in I. Again, like the top section, Previously Reported, if there are any amounts that have been previously reported, it would be reflected in there. The next section, This Period, whatever you put in or place in that section, it will automatically calculate for you. And I like this particular form because K will always show you how much is still left to be put into programs.

Michael Williams: The next section, Program Income. If you are generating program income on this particular award, that information will go in L. M, the Office of Justice Programs does not use this because this is utilizing the deduction method. We do not use the deduction method. Instead, in N, we use the income method because we want you to add to your program in order to further your efforts.

Michael Williams: This next section is if you have an indirect cost rate, this is what you will be filling out. On the dropdown menu, you will find out what type of rate you have, and then based

on that, the base, the years that the indirect cost rate is good for, the amount that is being charged, and the amount that is charged back to the grantee, back to the federal agency.

Michael Williams: This is the signature page. This person who is in here should be the financial point of contact. Once everything is okay, you click submit, and this should be the e-mail that you get letting you know that we have received your financial report.

### **Audit Findings**

Michael Williams: I want to go through the Top Ten Audit Findings for you. As you can see in the Top Ten Audit Findings, and these are from 2011, I am still working on the 2012 ones. But as you can see, we found problems with organizations not having procedures in place for accounting, internal controls, and payroll. The other one that you see is subrecipient monitoring; that means that grantees were passing money down to other organizations and they were not going down looking at them to ensure that they were doing what was all required for that particular program. And then the accounting system was inadequate or at least not effectively being used by the grantee.

Michael Williams: Procedures were inadequate for inventories or fixed assets. Progress reports were not timely submitted. Excess cash, again, if you ever have excess cash on hand, you really want to send it back to the awarding organization. The suspension and debarment verification had not been completed or submitted to the organization. And, #10, the financial report was not accurate; for whatever reason it was not filled out properly.

### **Questions?**

Sharron Chapman: Thank you, Michael. In the interest of time, we are going to move on from questions. So if anyone has questions, you can either submit them via the chat box or you can also reach out to your OVC point of contact to ask those questions.

Sharron Chapman: So now to move on in the agenda. We will now hear from Charles Moses and Kristopher Brambila, who are both with our Office of General Counsel, and they are going to go over with us the key legal issues for OVC grants.

### **Overview of Key Legal Issues for OVC Grants**

Kristopher Brambila: My name is Kristopher Brambila and I am an attorney with the OJP Office of the General Counsel. With me is Charlie Moses, who is our Deputy General Counsel with OJP. We are going to go over a few of the key legal issues that arise with OVC grants.

### **Major Issues**

Kristopher Brambila: Just to give you a quick overview of what we are going to talk about, we are going to start by making sure that everyone is clear on the difference, exactly what funding instrument you are operating under, the difference between a grant and a cooperative agreement. We are going to talk a little about lobbying. We will go into the particular concerns that arise when OVC funds faith-based organizations and faith-based organizations are undertaking projects with federal funding. We will talk about human subject protection and confidentiality, then conflicts of interest, and if we have time, we might discuss a little bit more about the conference approval and reporting process.

## **Grant vs. Cooperative Agreement**

Kristopher Brambila: It is important for you to know exactly what type of award you are going to be operating under. In general, we refer to the awards that OVC gives out as grants, but typically these federal awards are either – you are either going to have a grant or a cooperative agreement. Generally, you might ask, “How will I know which one I have?” When you look at your award document, in the upper right-hand corner it will say prominently either grant or cooperative agreement, and the award number will have a “k” in it if it is a cooperative agreement. I think most of the folks on the line will likely be operating under cooperative agreements. OVC tends to do most of its projects through cooperative agreements. Both a cooperative agreement and a grant are essentially both the same type of funding instrument in terms of the purpose of putting money out there to the field to stimulate some activity. In this case, most of OVC’s funding is obviously related to victim services, in terms of providing direct victim services or improving victim services in the field. The difference between the two instruments: with a grant there is very little federal involvement; so examples of these would be OVC’s formula funding that goes to the states, where the states basically take the grant funding and have a lot of autonomy in running their own projects. The flip side of that is a cooperative agreement, where you still have the purpose of activity stimulation, but there tends to be substantial federal involvement in that project.

Kristopher Brambila: To give you an overview of exactly what a cooperative agreement with substantial federal involvement would entail, essentially you are going to have joint coordination between OVC and the recipient, periodic discussions of project plans, budget, and activities throughout the project period. So depending on the type of project and your OVC grant specialist, that will determine exactly how often you talk to them, but you are going to have at least these periodic discussions of the various aspects of your project. The recipient is ultimately responsible for the day-to-day operation of the project. OVC is responsible for the general oversight and redirection of the project. The key thing to keep in mind with cooperative agreements is something that Michael touched on in the financial segment, that with a cooperative agreement you are going to have more back and forth, and there will be more items that you will have to go and seek OVC approval for before undertaking those activities. The key example is conference activity, virtually all conference expenditures will have to be approved in advance before moving forward with those. So that is something to keep in mind. With that, I am going to turn it over to Charlie and talk about lobbying.

## **Lobbying**

Charles Moses: Hi, I am Charlie Moses. I am the Deputy General Counsel for OJP and I work with Kris on issues related to grant law for the Office of Justice Programs. One of the issues that we wanted to highlight for you today is the issue of lobbying, not because we think it is a real issue with you, but we tend to get a lot of questions about it, and so we thought we better have a good conversation. The basic point to start at is the Anti-lobbying Act, which Congress enacted in 1913. It is part of the Federal Criminal Code. It is found at 18 U.S.C., Section 1913, for those of you who are actually trying to keep track of the law itself. That law is very interesting in that originally the law was intended to apply only to federal agencies and federal employees. But in 2002, Congress amended the Anti-Lobbying Act, such that instead of applying to federal employees or federal agencies, it applied directly to federal funds. So essentially, what they have done is turned what is a restrictive anti-lobbying provision based on the personal actions of federal agencies or employees and turned it into a use of funds provision for all federal grant funds.

Charles Moses: OMB would ordinarily implement all use of federal grant fund provisions through its circulars, as well as through the OMB regulations. Currently I am sure all of you are aware that the regulations concerning your particular grants are found not only in the Department, but they are at OMB as well, and many of those regulations are being transferred to 2 C.F.R. directly out of OMB as opposed to Justice Department regulations. The reason I am mentioning that as a general proposition is at this point OMB has still not issued its regulations on the new lobbying provisions, even though they were passed 10 years ago. I understand that they do have draft regulations, but those draft regulations have not even yet been published for public comment. So your question, and our question, was: What should we do prior to actual guidance from OMB on how to implement this? How do we, nevertheless, try to help you avoid any non-compliance? Because the Criminal Code has been changed, it is just that the regulations interpreting that have not yet caught up. What we want to do is provide some general advice to all of our recipients on activities that you should avoid, what you could do, and, of course, the sanctions that would be in place in case there is a violation.

Charles Moses: Let me start by talking about sanctions. The sanctions for violation here are quite severe. Every time there is an instance of lobbying that is confirmed, it is a civil fine up to about \$10,000 per occurrence, and that occurrence is not – each letter, for example, if you were to send a letter to every single member of Congress, that would be considered 435 separate occurrences, even though it is the same form letter. So the sanctions are of a severity that we need to be very careful to make sure that we do not inadvertently do something that would create an issue here.

Charles Moses: What activities you should avoid are basically discussions with any legislative body. This is written such that it is not just Congressional members, but it is everything from a local legislative body such as your local city councils, your state legislative bodies, your Congressional legislative bodies, and your tribal governments, as well as your international governments, and it does not necessarily apply simply to law. If you are trying to lobby a government itself to change an administrative practice, that could be considered lobbying as well. It also is lobbying if you are merely talking about a referendum or you are talking about a zoning area or you are talking about essentially anything that is passed by an elected legislative body or is imposed as a government policy. If you were trying to lobby that entity to change it, you cannot do that lobbying with federal funding.

Charles Moses: What could you do? In some instances, there actually is statutory authority which would allow a certain amount of “lobbying,” and I am using quotations around “lobbying” here. There are some statutes which allow certain things to occur. In the context of OVC, for example, there are some state laws about what crimes are supposed to be covered and, arguably, if what you are doing is trying to discuss a crime that has to be covered in order to be in compliance with federal law, that might be an acceptable thing to do. But before you do anything, what we suggest, given the severity of the penalty, is that you should actually have this discussion with your OVC program manager. They will be talking with us and we can then verify whether or not there is something that you could do.

Charles Moses: What you will find to help you in this struggle of trying to interpret what you could or could not do is there is going to be a lobbying grant condition. It is standard in every single OJP award at the moment, and this is the text on the screen of what that grant condition reads. If, for some reason, you do not see this condition in your award, please alert us immediately. Rest assured it should be there. I have every confidence that our system has put it there. But even if you do not see this condition on your award, given the fact that we are talking about a federal law here, it is certainly going to override the grant documents. So this is what you

should actually work with. Essentially, what you do is that you understand that you cannot use federal funds, either directly or indirectly, in support of an enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. We indicate “without the expressed prior written approval of OJP.” What that means: It does not mean that we have a magic wand and we can sanitize it, but what that does suggest is that if you want to do something, contact us because, as I said earlier, there are a few instances where there actually is some statutory authority, and we can give you some guidance on that. At that point, we would give you discussion points about how you could do it.

Charles Moses: One tip here. A lot of times organizations maintain these types of relationships with elected leaders. I want to reiterate: We are not saying you cannot do these things; what we are saying is you cannot use your federal funds to do that. One way that people find that it is very useful is you need to think in terms of who is actually being funded 100 percent of the time with either federal funds or matched funds. If you are not funded 100 percent of the time with federal funds, then there is certainly the possibility that you would have the opportunity that you could do some of these things and you would not have an issue. What I would suggest, however, is that you need to keep very good records, time records, that would document if you are doing anything that you are doing it not on federal dollars or not on matched dollars, but you are doing it on other funding sources. And that is extremely important for your own accounting records and your own systems.

### **Questions?**

Charles Moses: Are there any questions on that? I have a question. Are courts considered a level of government? An interesting question, I am not quite sure what would lobby a court, unless we are doing possibly a amicus brief submission, possibly one could argue. I am not exactly sure that you would ever really lobby a court for anything, but it probably would be considered a level of government for purposes of this. Similarly, prosecutors’ offices would be considered a government entity. It is part of either the local governments or state governments, in some instances, or the federal government, yes. Are there any other questions? Seeing no other questions, let us turn to another interesting area.

### **Faith Based Programming**

Charles Moses: For at least the last 10 years, there has been a lot of emphasis in government on not only recognizing that government funds are useful in trying to work on a lot of the problems that we have with victims, but we have also recognized that in a lot of instances the faith community has been a big resource, particularly in victims’ rights and victims’ issues. Whether it is a battered women’s shelter or neglected and abused children, a lot of times organizations from the faith community are very active. The last actual estimate I saw, somewhere around 30 to 40 percent of the organizations that received OVC funds had some type of connection to a faith community. What I want to make sure people understand is that that is perfectly acceptable and it is good. The Department, and this crosses administrations from a national government level, has certainly been supportive of issues in the faith community and how we work with the faith community to tackle problems that are endemic in our own local community. However, we want to make sure that everyone understands that there are certain things that religious organizations could do with federal money, but there are also certain things that you cannot do, and this is what we want to talk about here. Most of this is predicated on our Constitutional rights, of course, and so we want to make sure that as our faith communities work with the government, they do so in a way that does not violate either the establishment clauses of the Constitution for establishment of

religion, or the free exercise clauses to the Constitution which recognize that each victim comes to us with whatever individual faith thoughts or issues they may have.

Charles Moses: Regulations from the Department of Justice concerning working with the faith-based community can be found at 28 C.F.R. Part 38. The basic condition would say that you, as a recipient of our money, agree not to use grant funds for inherently religious activities, such as worship, prayer, devotional reading, or study of sacred texts, or proselytization. What you can do, however, is very important.

Charles Moses: You are able to engage in inherently religious activities if those activities are separate in time or location, and so long as participation by beneficiaries is completely voluntary. And separate in time or location means separate in time or location from other grant-funded activities. You also must maintain independence, autonomy, religious expression, and character. That is allowed. That means that you could have a religious mission, you could use a facility such as a church or synagogue without removal of religious symbols, you can retain your name and board character if you are, in fact, a faith organization, and you can have a mission statement which continues to recognize the faith characteristics of your organization.

Charles Moses: What you could not do, however, and this is extremely important, you cannot use federal funds to in any way discriminate against a program beneficiary. A victim is a victim and is going to be assisted by your program. You are not entitled to look behind that victim to see, “Well, is this person of a religious persuasion that is consistent with that of my organization?” Nor can you entice them to try to participate in religious programming merely because they are a victim and they need your help. That is not something that you can do and, frankly, I am sure that is not something that any of you would do. The other thing that you cannot do is use your federal money to support inherently religious activities. Again, inherently religious activities would include those things that are specific to any particular religion. It is not necessarily something that, as I said, if they are separated in time or location from delivery of service, that is okay, but if they are not separated in time or location from where you are actually delivering, say, a soup kitchen, then that is not okay. So that gives you a rough idea of some of the restrictions that we have on faith-based programming supported with funds from the Office for Victims of Crime.

## **Human Subjects and Confidentiality**

Kristopher Brambila: With that, we are going to move on to the next subject, which is Human Subjects and Confidentiality. This does not come up too often in OVC grants, but it does come up occasionally so it is worth discussing briefly here. Human subjects and confidentiality restrictions go hand-in-hand, and essentially they come into play when a grantee is doing human subjects research. Human subjects protections are found in 28 C.F.R., Part 46. In a nutshell, that requires – when a funded organization or an individual, I suppose – when a funding recipient is doing human subjects research, it requires review by an Institutional Review Board (IRB). There are also confidentiality protections whenever human subjects are involved. Those are found in 28 C.F.R., Part 22, and in a nutshell, that requires the recipient to submit a privacy certificate describing their policies and procedures for protecting the confidentiality of the subject of the research. Essentially, these kick in when the recipient is going to be collecting research, if the statistical information is going to contain information identifiable to a private person.

## **When is Part 46 Important?**

Kristopher Brambila: So when is Part 46 important? This is human subjects protection. Some examples: Again, when there is a collection of or analysis of information obtained from

individuals, this can include interviews; it can include surveys, focus groups, or evaluations. If research is involved, the general rule is you must submit the proposal to an appropriate Institutional Review Board for review and approval.

### **Limitations on Human Subjects Research**

Kristopher Brambila: Some of the limitations on human subjects research: If you are doing human subjects research it is important to obtain the informed consent of all the participants. Their participation has to be voluntary and they have to be informed that they can withdraw their participation at any time. Second, you need to document the compliance via a privacy certificate, pursuant to Part 22. This is generally done, I believe, coming in with the application for OVC projects, so a lot of this will be taken care of in the application process. But if you think that your activities might involve human subjects research and you might be collecting information that is identifiable to individual people, you can contact your grant specialist and they can help you make sure that you are in compliance with Part 22. Third, if you are doing this human subjects research, you have to maintain confidentiality throughout the collection, analysis, and final disposition of that information, pursuant to 28 C.F.R., Part 22.

### **I Do Not Need IRB or Privacy Certificates If . . .**

Kristopher Brambila: There are certain circumstances where you do not need to go through the Institutional Review Board process or obtain a privacy certificate, and this is essentially when you are not doing research or statistical collection. And, essentially, what we are looking for there is a systematic investigation designed to develop generalizable knowledge, so this can include assessments and evaluations, but generally it will not include assessments or evaluations if those are merely to comply with the Government Performance and Results Act or the OJP collection of performance measures. The second circumstance is when you are not collecting information that is identifiable to specific individuals; obviously, you really do not have those same confidentiality concerns there. With that, I am going to turn it back to Charlie for conflicts of interest.

### **Questions?**

Charles Moses: I think first we are going to have some questions. Are there any questions out there? Very good.

### **Conflict of Interest**

Charles Moses: I do want to talk about conflicts of interest here. In an era of transparent government, obviously as we use grant funds at the federal level and as you use grant funds at the state level, one of the things that we want to make sure that we avoid are those situations where it appears as if individuals or organizations are using federal funds for their own benefit. So what we have in the OJP *Financial Guide* are several sections that talk about inherent conflicts of interest as they might apply to your use of federal grant funds. I have to apologize at the beginning of this. Our slide actually says this can be found at Part I, Chapter 3 of the *Financial Guide*. Well, the *Financial Guide* has just recently been rewritten and they actually eliminated the parts and the chapters. It is a continuous document on the OJP Web page. So since it is Part I, Chapter 3, I think the location is still about the same. You are probably looking about the first 10 percent of it, somewhere in the first 10 percent of the *Financial Guide*. But I am sure you can look it up under the key word “conflict,” and that would pop up and in your use of the *Financial Guide* you would find it.

Charles Moses: Essentially, what we are trying to do in the *Financial Guide* is to make sure that you or your organization have rules in place which would ensure that neither you nor any members of your Board of Directors would be taking any action which might appear to give preferential treatment to yourself, to any organization that you are affiliated with, to your business partners, to your family members, to Board members. I think you get the idea. Essentially, you should not do self-dealing; that is, the bottom line analysis here is if you are working with federal funds, you cannot do self dealing. Conflicts can come up in a variety of ways; they can be personal conflicts; they can be family conflicts; they can be organizational or financial conflicts. But the bottom line of all of it is you cannot make official decisions on how you spend your federal grant money that would adversely affect the confidence of the public and the integrity of the program or the government itself.

Charles Moses: Where you might find this frequently, for example, if you have contracts, and instead of doing bidding on a contract, it is awarded to a family member of a Board member, a spouse of a Board member. Obviously, these are situations where the prudent thing would be to have some type of competition, something to show that any individual that is receiving the benefit of the federal funds is doing so not because they are affiliated with someone in the organization, but because they are, in fact, the best value for the government dollar. That is basically what you need to do, and I think as you look at the conflict rules in the *Financial Guide* you will see that they talk in terms of even trying to avoid the appearance of a conflict. In Washington, we talk about it as *The Washington Post* test. Essentially, what we want to do is avoid that front page news article that talks about you or your organization, and remember, they are going to talk about you, but they are also going to talk about us, because they are going to say, “A Department of Justice funded organization has just done X.” Those are the types of things that we know you want to avoid, your Board wants to avoid, and we certainly would like to avoid. So if you have any question, we have teams of ethics individuals here in D.C. that you can always access through your program managers if you have any concern or issue.

Charles Moses: What I thought we would do, though, as we discuss this is we are going to – we are not going to play a game, but we are going to give you some scenarios. My understanding is there is actually a feedback opportunity for each of you where they will be hitting yes or no, and we will all be able to see how each of us is responding to particular scenarios here. Then what we will do is we will discuss them briefly.

## **Scenario # 1**

Charles Moses: Scenario # 1. Your organization has just received a grant from OVC to concentrate on elder abuse training for state and local prosecutors. A member of your Board of Directors is an acknowledged expert on elder abuse. As the executive director of this organization, may you hire your Board member as a consultant to present this training required under your grant with OVC?

Charles Moses: It looks like the votes are coming in a little quicker than Florida. I think that the tally is, from what I can say, it looks about like 50 percent, maybe about 60/40; 60 percent of you said you thought you could not hire this Board member, and 40 percent think that you can. Well, I think what we would suggest is the answer should be you would not ordinarily hire this Board member. I say “ordinarily” because if you have gone through an open competition process where you or your Board, particularly your Board, was not involved in selection, there might be a way that we could sanitize this and make it possible to do. If that is the type of thing that you would like to do, what I suggest is that you talk with your OVC program manager because we need to at least be aware of this in advance. This is one of those areas where the Department of Justice and

the Inspector General frequently will see this as something that they would look at, so I want to make sure that if you are going to do this, which I would strongly suggest it not be done, but if you are going to do this because of the expertise and the location and the area of the individual, we need to make sure we coordinate to do it in a very careful coordinated manner.

## **Scenario # 2**

Charles Moses: Let us look at Scenario # 2. You sit on the Board of Directors for a national nonprofit organization which has been selected by OVC to distribute \$500,000 in grant funds via a competitive process. A potential applicant contacts you to see if you would be interested in joining an application for these funds, unaware that you simultaneously sit on the national board of the organization. Can you join in this application and allow this applicant to use your name as an expert affiliated with this grant in attempting to secure grant funding from the organization in a competitive solicitation?

Charles Moses: Well, I am glad to see that the results are coming in and we are a little less aggressive here. I think that is a very prudent move. If you are in an organization overseeing grant funds, it would certainly not be prudent and certainly appear to be a conflict of interest for you to participate in trying to, essentially, have those funds awarded to yourself. Essentially, what you are doing here is you would be sitting on the Board of Directors that is making decisions about how funds would be solicited, you would probably have input into what that solicitation would look like, so your participation on the opposite side simultaneously trying to actually write a response to a solicitation would seem to indicate that you had inside information about the competition and that you have been using that information for, potentially, your own financial gain. So I think in this situation, clearly the individual director should not be involved with a competitive solicitation for money from their organization.

## **Scenario # 3**

Charles Moses: Scenario # 3. You ask your OVC grant program specialist to write a letter of recommendation for your organization to qualify for a grant from HHS for work with crack-addicted children. What, if anything, can you expect your OVC grant manager to submit to HHS on your organization's behalf?

Charles Moses: Now, this one obviously we could not do a yes or no answer, so we are not going to be able to do our little exercise. But I think this is an important ethics question because it gives you a little insight not just to what you can ask for, but to the ethics responsibilities of your OVC grant manager. All federal employees, including your OVC grant managers, are covered by something called the Standards of Ethical Conduct for Employees of the Executive Branch, and among those standards are that we are not supposed to use our position for the endorsement of any particular organization or product. What that means is it is a very difficult thing for us to write a letter of endorsement for you that could be used in any future grant application. However, there are things that we can do and this is what you should expect. We could not necessarily give you a blanket letter of endorsement. In this instance, however, the request was for a grant to HHS, which is the sister agency of the Department. So what we could do is tell you that you could use us as a reference on your grant application, and we can also reach out to HHS directly so that they would know that we have a grant with your organization and we would give them a very candid assessment of what our thought is about you as a grantee. It is actually very preferable if HHS were to contact us first, and I suspect that that is what they would do if we were used as a reference and if they were seriously considering your application. At that point, the importance is that the discussions are going on from one federal agency to another. It is not necessarily an

endorsement of your program, but it is merely us responding to questions from another federal agency, and we will do so, believe me, with strict candor. That is part of why HHS would be willing to trust what we tell them, in part because the comments are coming directly from us and not necessarily being filtered through you, the third party who requested the comments. I think in that way we can assist in your future fundraising efforts, we can recognize the sustainability of programs does not necessarily have to be limited to OVC funds, but at the same time, we are making sure that everything is done in an above-board way and it is done consistent with the ethics rules for federal employees.

## **Questions?**

Charles Moses: That is it for our conflicts discussion, unless there is any question. We do have some questions. All right, we have a question concerning court policies. The question is whether recommending court policies or prosecution policies related to domestic violence – I am assuming is this lobbying or is this conflicts? I sense this is lobbying. [overlapping comments] Yes. Whether recommending court policies or prosecution policies related to domestic violence is lobbying.

Charles Moses: The key is to what you do. I mean, a lot of times people who lobby will talk about education versus lobbying. I will be blunt: I do not like that distinction because I think a lot of people push a lot of things into what they call education even though it is lobbying. I think that if there are best practices that you have and you are simply making a document concerning best practices available to the court, that is not necessarily lobbying. That is providing information. Where you would cross the line is if you were actively taking a document and actually trying to push it through various different lobbying activities, say through hearings and so forth.

Charles Moses: The second thing I would say is remember we said that the restriction is on lobbying with federal funds. To the extent that any of this might be, even if a best policies or practices document is created with federal funds, to the extent that you may then take that document and have discussions with the organization with non-federal funding, then you have not used federal funds for lobbying purposes. So there are certainly ways to work with the rules, and that is what I would suggest that you do.

Charles Moses: Second question here. Are changes in the procedures to incorporate the new legal assistance network? What is this? I do not understand. This is the legal assistance network that OVC is creating? [background voices] The wraparound network, okay. I am not quite sure what the question is, I will be honest, so what we will do is we will get back to you. Obviously, this is from Louis so I know we can probably find out who you are, and we will certainly get back to you with an answer to that question, Louis. Is there anything else? Here is Kris again.

## **Conference Approval/Reporting**

Kristopher Brambila: With that, I think we are going to, since we have already addressed a lot of the conference issues, I think we are going to skip past that and go to a few final points. I will raise one matter with the conference cost reporting. I would encourage all of you, if you have potential conference activity, to come in early with that, like Michael said. It is better to ask permission than forgiveness in this case. We have had some high profile events cancelled, very expensive high profile events, and sometimes at the last minute because folks did not come in early enough for that approval process. So I would just encourage you to take that seriously and come in as early as you can for that. Moving on.

## **Other Legal Requirements**

Kristopher Brambila: We are going to just talk about giving you a brief overview of where you can find the other legal requirements that apply to your OVC award. The first place I would suggest looking is your award document, that is always the best place to start. You will have a series of conditions that are associated with that document, and those will set out requirements that are particular to, some general ones in the beginning – typically we have 10 or 11 conditions that are applicable to almost all OVC projects – and then there will be several conditions that are specifically applicable to your project and possibly to your particular organization. So you will want to look at those. You will want to look at the assurances that you signed and the certifications that you submitted as part of your application. Again, the *OJP Financial Guide* which is on the Web is an extremely valuable resource; it touches on a number of these topics. The specific federal law and regulations that apply to your program, and most of the programs for OVC will be either under the Victims of Crime Act of 1994 or the Trafficking Victims Protection Act. There are cross-cutting laws and regulations that apply and OMB circulars; a lot of those are summarized from the *OJP Financial Guide*; so I would again refer you back there as a primary resource.

## **Recordkeeping**

Kristopher Brambila: Some other issues. We are going to skip that one and the next one. Let us talk about recordkeeping. I just wanted to remind all of you that you do have an obligation. You are receiving these federal funds, and as a recipient of federal funds you have an obligation to keep records of the activities that you undertook with those federal funds. It is often an audit issue that comes up, it comes up pretty frequently, specifically in the context of time and attendance a lot of times, time spent on the grant award. If you are not keeping records of those, that can lead to a substantial amount of questioned costs down the road. So I would just be cognizant of that as you move forward with your projects, to be mindful and careful to keep those records just in case you are audited in the field to substantiate what you did, the activities that you did under your award.

## **Media Conditions**

Kristopher Brambila: And the final point I would make, a lot of OVC projects undertake activities in terms of developing publications and media projects. There are a number of special conditions associated with these; they set out practical timelines for the review and approval by OVC of those publications. Again, going back to the grant versus cooperative agreement issue, for proper [unclear] undertaking these projects, there is a lot of back and forth between your grant specialist and the folks managing your project in terms of what those products will look like, and there are timelines associated with that. Those are set out in your grant documents and it is a good idea to look at those.

Kristopher Brambila: Just a note about intellectual property rights. In most cases the products that you develop under your award will be, generally, the grantee organization owns the rights to those, but the government does reserve a very broad license to use those works for government purposes into the future.

Kristopher Brambila: The final note I will make, when you are doing these projects and if you are interviewing victims and interviewing people, aside from the human subjects protection for research, but just as a part of these projects, you will want to obtain appropriate releases, even if it is not human subjects research, if it is just you are interviewing folks for some kind of video or

Web publication, you will want to obtain appropriate releases from them. And if you have questions about that, you can always contact your OVC specialist who will be able to provide you with examples of those.

## **Questions?**

Kristopher Brambila: And with that, we will take any final questions. And I will turn it back to Sharron.

## **Helpful Contacts**

Sharron Chapman: Thank you, Charlie and Chris. We appreciate your presentation this afternoon. We are going to move on to some helpful contacts for everybody. If you were not able to get your question answered via the chat box, please remember you can always contact any of your OVC points of contact, program staff, and our OVC Main Line that is on the screen. You can also direct your financial questions to the OCFO Customer Service Line, which is available at that 800 number or via e-mail, and that again is on your screen. There are two additional Web sites there that are very helpful for you to take note of. The one at the top is the OJP Training page and it has a number of resources available for all of our grantees, providing information on all of our grant requirements. And the second link is the OCFO *Financial Guide* which, of course, covers the gambit of regulations regarding all of our grant requirements.

## **2012 OVC Discretionary Grantee Orientation Series**

Sharron Chapman: I want to remind everybody to please register and take note of our final two Webinars in this session. The next one is scheduled for December 13, from 2:00 to 3:00 p.m. We will go over “Grant Requirements” and those four topics there on the screen. The fourth session in the series, “Measuring Success,” is scheduled for January 10, from 2:00 to 3:00 p.m. Eastern Standard Time, where we will go over those three topic areas.

## **Evaluation**

Sharron Chapman: I want to also remind everybody to please check your e-mail and provide a nice response for us on evaluation of this Webinar this afternoon, which will be sent to you via e-mail. Thank you all for participating. Have a great day.