



# Applicant's Manual

## Financial and Administrative Guide for Grants

### Funded through State Appropriations

July 2013

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## PREFACE

This manual is being provided to help you understand the Louisiana Commission on Law Enforcement (LCLE) grant programs. We believe this manual will answer most of your questions; however, we encourage you to visit our website for the most comprehensive information on LCLE and the services we offer.

LCLE website: [www.lcle.la.gov](http://www.lcle.la.gov)

LCLE Egrants Support

Phone: (225) 342-1968

Email: [egrants@lcle.la.gov](mailto:egrants@lcle.la.gov)

U.S. Mail Address: PO Box 3133  
Baton Rouge, LA 70821-3133

\*Location: 602 North Fifth St.  
Baton Rouge, LA 70802

\*Since U.S. mail is NOT delivered at this address, the physical address should only be used for those documents sent UPS or Federal Express.

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# CHAPTER 1 INTRODUCTION

## **What is the Louisiana Commission on Law Enforcement (LCLE)?**

The Louisiana Commission on Law Enforcement and Administration of Criminal Justice was created under LA R.S. 15:1201.

The Mission of the Louisiana Commission on Law Enforcement (LCLE) is to improve the operations of the criminal justice and juvenile justice system and promote public safety by providing progressive leadership and coordination within the criminal justice community. To this end the agency provides a forum for all elements of the criminal justice system to come together in common cause and to develop multi-agency programs which serve the needs of a wide range of criminal justice organizations; support proven, critical, or innovative operational initiatives through the grant programs administered by the agency; promote the highest professional and ethical standards in law enforcement through high quality training programs; and to provide quality services to the criminal justice community and victims of crime within the framework of state and federal law and policy.

Public safety is a key element in the quality of life for all Louisiana citizens. The Louisiana Commission on Law Enforcement seeks to create an environment in which all aspects of the criminal justice and juvenile justice systems work together to promote the security of all people in the state. We seek innovation where old solutions are not working, and seek proven programs in those areas where success has been attained. In decision making processes, we seek to bring together representatives from all aspects of the criminal justice community, so that decisions reflect the needs of the whole, and build on strengths of all agencies involved.

The Louisiana Commission on Law Enforcement and Administration of Criminal Justice is an Equal Opportunity Employer pursuant to the requirement of federal and state law.

## **Advisory Structure of LCLE**

There are a number of advisory boards within LCLE. These advisory boards perform important planning functions and make recommendations to the Commission on individual applications for subgrants. Read more about LCLE's advisory boards on our website, [www.lcle.la.gov](http://www.lcle.la.gov).

Louisiana has eight local law enforcement planning districts/offices of criminal justice coordination (LEPD/OCJC) in addition to the state office handling only state-level and discretionary projects. Each LEPD/OCJC has its own board/council. These local boards make recommendations for each application based on the state's advisory boards' planning functions. Read more about these local LEPD/OCJC boards on our website, [www.lcle.la.gov](http://www.lcle.la.gov).

## Subscription to LCLE’s Funding Announcements

LCLE offers an optional subscription service to all individuals interested in funding announcements released. This service notifies subscribers of available funds through email. If you are interested in taking advantage of this service, visit LCLE’s website, [www.lcle.la.gov](http://www.lcle.la.gov), select “Egrants” link, and then the link titled “**Subscribe for email when new funding opportunities become available.**” After the subscriber begins to receive notification of funding availability they can contact their local law enforcement planning district/office of criminal justice coordination.

Subscribing to this service does not require the individual subscribing to receive fund announcements to be registered as a user of Egrants, nor does the subscription register an individual as a user of Egrants.

Additionally, all current funding opportunities are available to the public and can be accessed by visiting “Our Programs” on LCLE’s website, [www.lcle.la.gov](http://www.lcle.la.gov). Each program will provide a brief description of the funding process and eligibility requirements.

## How to Use This Manual

This manual is to be used by any agency planning to submit an application for State-funded programs administered by LCLE in response to a district’s allocation or an invitation to apply for a subgrant. If you are not certain of your organization’s eligibility, please contact LCLE before continuing.

As its name implies, this manual serves two functions: an applicant’s manual and a financial and administrative guide for grants. The Applicant’s Manual Financial and Administrative Guide for Grants funded through State Appropriations and Egrants Quick Start Guides are the primary tools used in applying for funds administered by LCLE under its various grant programs. All applications are completed online through Egrants and include sections specific to the requirements set forth by the funding source for those funds for which you are applying. This manual provides a general overview of the application process as well as instructions for completing a budget in compliance with the various state and LCLE regulations and guidelines. Within the Egrants application, explanations are provided for any additional information that may be required and may vary depending on the program. Specifics are noted within the appropriate chapters of this manual.

## A Final Note

You are encouraged to read this manual carefully as it explains important steps in obtaining subgrant funds from LCLE. Adhering to instructions in the manual will assist in proper preparation of the subgrant application and will help ensure a successful project outcome.

After your project is funded by LCLE, you will find this manual to be a useful reference document. We urge you to visit our website, [www.lcle.la.gov](http://www.lcle.la.gov) for more information. Please

contact the appropriate LCLE program manager, send an email to [egrants@lcle.la.gov](mailto:egrants@lcle.la.gov), or call Egrants Helpdesk at (225) 342-1968 if further assistance is needed.

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## **CHAPTER 2 – LCLE FUNDING**

Funds distributed by LCLE originate from a number of federal and state sources. The enabling legislation providing the funds may have different requirements regarding the eligibility of a recipient and the allowable uses for its funds. In addition, LCLE may impose other restrictions on the use of the funds. It is important to know the source of funding for the application, as this will determine the rules and regulations that govern the utilization of funds and the project reporting requirements.

Detailed information of the requirements for specific funding is included in the funding announcement. Refer to the State Funding Program for program-specific information. Funding announcements are posted through the Egrants system.

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## **CHAPTER 3 – PREPARING A SUBGRANT APPLICATION**

**IMPORTANT NOTE:** Application for funding is made through LCLE’s Egrants system. An extensive library of help and guidance for using Egrants is available in LCLE’s Egrants Help Center. Please refer to the LCLE website and Egrants for funding announcements, current deadlines, and up-to-date requirements for completion of the application specific to your subgrant program. Documents are no longer sent through the local law enforcement planning districts/office of criminal justice coordination offices. They are filed directly online through the Egrants System with specific documents mailed directly to LCLE.

### **Pre-Application Recommendations**

All prospective applicants are encouraged to follow the steps outlined below before preparing an application to obtain an award from LCLE. The subgrant award becomes a legal contract between LCLE and the applicant after all approvals and necessary signatures have been obtained. Therefore, it is extremely important that from the early start, an application and supporting material be prepared with care and precision.

### **Requirements for Applications of State Funds**

All Egrants application sections must be completed when an applicant agency is applying for state funds. Each section details specific areas of the budget and programmatic activities, or terms and requirements of the program. An applicant agency must agree to the terms as stated in the Egrants application to be considered for funding.

### **Special Requirements for Private Non-Profit Agencies**

#### **Guidelines for Direct Funding to Private Non-Profit Agencies**

Private non-profit agencies, which intend to apply for direct funding, are required to demonstrate the financial responsibility of the organization and its capability to administer the project for which funds are being requested. Accordingly, each private non-profit agency applicant is required to submit one copy of the following information when applying for subgrant funds:

- A copy of the most recent audited financial report, which must not be more than one year old, or a letter stating that the most recent report is on file with LCLE;
- A list of the members of the Board of Directors, stating each member’s board position, profession or employment, community activity and other pertinent information;
- A copy of the Louisiana Secretary of State Commercial Division showing the corporation is active and in good standing;
- A copy of the articles of incorporation;
- A copy of the by-laws of the organization, clearly defining the line of authority and responsibility moving between the Board and staff, outlining the hiring practices of the organization, and demonstrating the management and controls maintained by the Board;

- Internal Revenue Service determination of the tax exempt status of the organization;
- A copy of the minutes of the three Board meetings immediately preceding the date of the submission of the subgrant application;
- Evidence that the Project Director, Financial Officer and Board Officers, and any employees that is responsible for the receipt and expenditure of funds are included in an employee dishonesty insurance policy.
- A written statement that a checking account for subgrant funds will be arranged so that at least two signatures are required for issuance of checks, and a list of those individuals who have such authority.

The criteria used by LCLE in evaluating the qualifications of a private non-profit agency as an applicant for funds is listed in the following section.

### **Criteria for Evaluating the Qualifications of Private, Non-Profit Agencies**

The following criteria are utilized in evaluating the qualifications of a private non-profit agency as an applicant for LCLE funds:

1. The organization has been in operation for at least one year prior to the date of the application for funds.
2. The organization's financial statements are regularly examined and/or audited by an independent certified public accountant (CPA).
3. The organization demonstrates its ability to assume the costs of the project after a reasonable period.
4. The Project Director and Financial Officer are bonded.
5. There is documentation that the salaries of personnel are comparable with those in public or private employment.

### **Egrants Registration for Agencies**

To create an application in Egrants, the applicant agency must be a registered agency in Egrants. If the applicant agency has never applied for a subgrant from LCLE, they are probably not a registered Egrants agency. Use the Egrants [Organization Registration Request Form Instructions](#) to register the applicant agency. The form is located in the Egrants link of LCLE's website [www.lcle.la.gov](http://www.lcle.la.gov).

### **Registration as a State/LCLE Vendor**

An applicant is required to have a State Vendor ID number. The Vendor ID number is the applicant's Tax ID number in addition to a numerical code assigned by the State of Louisiana Division of Administration Office of Statewide Reporting and Accounting Policy (LA DOA OSRAP). If LCLE determines that the applicant does not have a matching State Vendor ID number, the applicant will be required to submit an IRS Form W-9 and/or a Vendor Location Form to LCLE. The Vendor Location Form can be downloaded from LA DOA OSRAP at this link: <http://www.doa.louisiana.gov/OSRAP/library/forms/vlf.pdf>.

## Egrants Registration for Individuals

Only registered Egrants users with proper credentials authorized by the applicant's head official have the ability to log into Egrants, create an application, view, prepare and submit prescribed data and reports. All individuals that will use Egrants for a particular application or project must register and obtain their unique User Id and password. Follow the [Egrants User Registration Request Quick Start Guide](#) to register in Egrants and obtain a unique User Id and password.

Access and security roles for each user can be requested online. Head officials of organizations should delegate security roles carefully. Instructions for requesting access to an organization and its associated security roles are available by clicking [here](#). In summary, the user will join the organization (if the organization is registered) and request the security roles which are needed to perform tasks. Security roles must be defined on the [Egrants User Registration & Access Request form](#). More explanation of the security roles can be found in the [Egrants Security Roles Quick Start Guide](#).

## Creating an Application

Once your agency and the appropriate individuals are registered to use Egrants, you can create an application in response to a funding announcement. Be sure to review the funding announcement prior to creating an application. Make sure your agency is an eligible applicant and that your agency will be able to meet all of the requirements contained in the funding announcement. There is detailed information which explains how to create an application in response to a funding announcement in the Egrants Application Quick Start Guide. This guide is available by in the Egrants link of the LCLE website, [www.lcle.la.gov](http://www.lcle.la.gov).

## Application Grant Id Number

As soon as an application is created in Egrants, a Grant Id number will be assigned by Egrants. At first, the Grant Id will be five-digit number that is specific to the application that was just created. This number becomes the grant number once approved by the Commission. It is essential that this number be used in all correspondence to LCLE concerning the application/grant. The assigned number has four parts. The remaining three parts will be assigned after Commission approval. This is an example of a grant number: 2012-JF-02-2101.

- 2012 represents the fiscal year. In the example, 2012 is the fiscal year of funds assigned to the project.
- JF represents the particular funding program. In the example, "JF" represents Juvenile Justice and Delinquency Prevention (JJDP) funds.
- 02 represents the program purpose within a funding program.
- 2101 represents the five-digit number (Grant Id #) which clearly identifies the application/subgrant from any other subgrant. This number is assigned in sequential order as applicants are received no matter the funding source.

## Application Sections in Egrants

There are a variety of sections in your Egrants application which must be completed prior to submission of your application. The number and type of sections will vary depending on the specific funding announcement. Make sure to read the section description carefully and respond accordingly in the response text field. All sections require a completion status of “**Complete**” before the application can be submitted to LCLE.

## Printing Your Application

Click the “**View Contract**” button on the application Main Summary page. A new window will open and the application will appear as a PDF document. There are detailed instructions on printing the application available in the Egrants Application Quick Start Guide. This guide is available in the Egrants section of our web site.

## Signature Page Requirements

The applicant must mail one original signature page **directly** to LCLE. The signature page can be downloaded from the application section titled, “**LCLE Certificate of Compliance**”. The application and signature page(s) are not required to be sent through the District Office. The application is not considered complete until LCLE receives the Certification of Compliance with an original signature. The following subsection reflects the signature requirements for a variety of applicant organizations.

### Signature Requirements – Signatures must be in **BLUE** ink

- Parish – Parish President, Parish Commissioner
- City – Mayor
- Sheriff – Sheriff
- District Attorney – District Attorney
- State Agency – Agency Director
- Private Organization – President or as otherwise provided by organization’s by-laws

A stamped or facsimile signature on the original document is unacceptable.

**NOTE: Failure to complete the application in accordance with the above requirements will result in delays in processing.**

## Mailing Instructions for Specific Subgrant Application Documents

1. Signature Page – Mail one signed original of the Certificate of Compliance.
2. Mail any other documents specifically requested in the funding announcement and/or Egrants application.

Send all of the requested documents via U.S. Mail to:

Louisiana Commission on Law Enforcement  
Grants Section  
PO Box 3133  
Baton Rouge, LA 70821-3133

For package express service:

Louisiana Commission on Law Enforcement  
Grants Section  
602 North Fifth St  
Baton Rouge, LA 70802

**NOTE: There is no U.S. mail delivered to the physical address.**

## **Payments**

After an application is awarded by LCLE and prescribed reporting is in compliance, the applicant agency will receive periodic payments remitted by check or electronic funds transfer (EFT) from LA DOA OSRAP. LCLE strongly encourages agencies to enroll in EFT. Requests for EFT enrollment must be submitted directly to LA DOA OSRAP in accordance with their instructions: <http://www.doa.louisiana.gov/OSRAP/EFTforWebsite.pdf>.

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# CHAPTER 4 – PROCUREMENT

## Procurement and Competitive Bidding Guidelines

Applicant shall use their written procurement procedures and regulations, provided that the procurement conforms to applicable state law. Applicant must ensure that procurement and competitive bidding guidelines are understood and properly followed when acquiring equipment, consulting services, construction, etc. Refer to Procurement Standards for below for use by units of local government and private non-profit agencies.

## Procurement Standards

### Purpose

These guidelines provide standards for use by local governments and non-profit agencies in the procurement of supplies, equipment and services with subgrant funds.

### Standards of Conduct

Applicant's officers, employees or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or potential contractors.

### Adequate Competition

All procurement transactions whether negotiated or competitively bid, and without regard to dollar value, shall be conducted in a manner so as to provide maximum open, free and fair competition. **Contractors that develop or draft specifications, requirements, statements of work, and/or requests for proposals (RFPs) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement.**

### Procurement Procedures

The applicant shall comply with the following procedural requirements:

1. Invitations for bids or requests for proposals shall contain a clear and accurate description of technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand Name or equal" description may be used as a means to define the performance or other salient requirements of procurement, and when so used, the specific feature of the named brand which must be met by vendors should be clearly specified.
2. In major equipment or systems acquisitions (such as office equipment and information technology equipment and systems), there shall be a pre-bid conference held by the applicant to provide all potential vendors with an opportunity to comment on the competitiveness of the specifications prior to advertising for bids.

3. Positive efforts shall be made by the applicants to utilize small business, minority owned business, Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs as sources of supplies and services.
4. The “cost-plus-a-percentage-of-cost” method of contracting shall not be used.
5. Formal advertising, with adequate purchase description, sealed bids, and public openings shall be the required method of procurement unless negotiation is necessary to accomplish sound procurement. However, procurements of \$10,000 or less need not be so advertised. Where such advertised bids are obtained the award shall be made to the responsible bidder whose bid is responsive to the invitation and is most advantageous to the applicant, price and other factors considered. Invitations for bids shall clearly set forth all requirements which the bidder must fulfill in order for his/her bid to be evaluated by the applicant. Any or all bids may be rejected when it is in the applicant’s interest to do so, and such rejections are in accordance with applicable state law.
6. Procurement may be negotiated if:
  - a. Public exigency or emergency will not permit the delay incident to competitive solicitation.
  - b. The material or service to be procured is available from only one source. A proposed formal advertised or competitive negotiated procurement for which only one bid or proposal is received is deemed to be, for purposes of this paragraph, a sole source procurement.
  - c. The aggregate amount involved does not exceed \$10,000.
  - d. The contract is for personal or professional services.
  - e. No acceptable bids have been received after formal advertising.
  - f. Otherwise authorized by state law.

## **Contracts**

The LCLE contract template must be used. The contract template is available at within the Egrants Equipment and Consultant application sections and LCLE’s website, [www.lcle.la.gov](http://www.lcle.la.gov). Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

## **Quotations**

Quotations may be acceptable for purposes of application budget preparation purposes. However, any funds awarded will be limited to the lowest quotation figures. In obtaining quotations, open and competitive specifications must be used and post-award acquisition must follow legal bidding requirements where applicable.

## Sole Source Procurement Justification Approval Procedure

All procurement transactions shall be conducted in a manner so as to provide maximum open, free and fair competition. Competitive bidding procedures must be used if the projected cost for products or services (items of a similar nature) exceeds \$10,000. Sole Source purchases or contracts are discouraged, but if such a request is made, the prospective applicant must identify the request as a sole source and provide a substantial justification for the sole source request along with their funding request. LCLE will scrutinize these requests and may, or may not approve them. This justification must include **all** the following criteria:

1. The justification for the sole source procurement adequately and factually addresses each of the following considerations (or indicates correctly those which are not applicable to the procurement). The sole instructions are available within the Egrants Equipment and Consultant application sections and LCLE's website, [www.lcle.la.gov](http://www.lcle.la.gov).
  - a. Identify the other sources considered and cite the specific reason(s) the other sources lacked the capability to satisfy the procurement requirement.
  - b. State what unique capabilities, if any, the proposed contractor has that are important to the procurement.
  - c. State what experience the proposed contractor has, if any, that is vital to the procurement.
  - d. State what facilities and equipment, if any, the proposed contractor has that are specialized and vital to the effort.
  - e. Affix a cost, if any, that would have to be duplicated at the grantee's or LCLE's expense if another source were selected.
  - f. If schedules are involved, state why they are critical and why the proposed contractor can best meet them.
  - g. State if competition is precluded because of patent rights, copy rights or secret processes.
  - h. If the lack of drawings or specifications is a factor, state why the proposed contractor is best able to perform under these conditions.
2. A copy of the proposed contract and a copy of the proposed contract line-item budget are attached to the justification.
3. The proposed procurement does not violate any state statutes or local laws or regulations.

Please note that a withholding of funds by LCLE may be imposed until sole source procurement is approved. A proposed formal, advertised, or competitively negotiated procurement for which only one bid proposal is received is deemed to be sole source procurement.

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## CHAPTER 5 - BUDGET

### Budget Summary and Budget Narratives

Project funding is to be categorized into allowable standard budget categories. Only the budget categories allowed by program definitions will be available to applicants in Egrants for each funding announcement. Budget narratives provide details of each budget category and give the grantor a better understanding of the budget category totals.

### Personnel

Personnel cost include wages and salaries of an agency or organization's employees assigned to the project. Merit increases given as a result of an agency/organization's written policy must be factored into the application budget. The increase must be inserted as a separate line item. Retroactive pay increases are unallowable.

Indicate the total cost of project personnel and when required, provide job description. Job description must include the duties to be performed, required education, work experience, salary range and any specialized required training. Updated resumes are required. Resumes are not required for law enforcement officers unless their assignment is outside the normal patrol duties.

List each position by title (and name of intended employee, if available). On the computation line insert the following formula:

1. Full Time, Part Time, Overtime as FT, PT, OT
2. Percentage (%) of time devoted to this project; this also includes non grant-funded time.
3. For full-time employees – Actual monthly salary times the percentage (%) of grant funds to be paid toward the salary times the number of months the individual will work on the project.
  - a. Example: FT; 70%; \$3,000 x 50% x 12 months = \$18,000 (\$18,000 is the requested amount in grant funds)
4. For part-time and overtime personnel – Show the hourly rate times the number of hours per week times the percentage (%) of grant funds to be paid by the grant.
  - a. Part time person works 25 hours total per week but spends only 5% of their time on the project: PT; 25 hrs; \$10 /hr x 25 hrs/wk x 52 wks x 5% = \$650 (\$650 is the requested amount in grant funds)
  - b. Part time person works 25 hours total per week but spends 100% of their time on the project: PT; 25 hrs; \$10 /hr x 25 hrs/wk x 52 wks = \$13,000 (\$13,000 is the requested amount in grant funds)
5. For DARE projects –Personnel costs are to be calculated according to the funding limitations.

### Time and Attendance Reports (timesheets)

Time and attendance reports (timesheets) are required for all personnel funded with LCLE grant dollars regardless of the funding stream.

## **Fringe Benefits**

Only the employer's share of payroll expenses and other employer costs of benefits such as health, life and dental insurance available to employee are budgeted in this category. By Commission Policy benefits cannot exceed 30% of the total salary. An itemization of benefits must be provided in the budget narrative.

Each requested payroll expense should be entered as a separate line item for each individual listed in the Personnel Budget Section. List each payroll expense by position title, name of intended employee (if available)-type of benefit being paid. On the computation line insert the following formula:

1. Advocate; Mary Smith-Social Security,  $\$18,000 \times 6.25\% = \$1,125$
2. Advocate; Mary Smith-Medicare,  $\$18,000 \times 1.45\% = \$261$

## **Travel**

The most current State of Louisiana Travel regulations are to be followed in addition to program guidelines for travel costs. An applicant agency may use its written travel policy if the terms and allowances are within those terms and allowances set forth in the most current State travel regulations. An agency that chooses to follow its written policy must provide notification to LCLE of its intent and provide a copy of the policy. Travel details such as mileage, meals, lodging, dates, location and purpose are required and must be detailed for each event/purpose and each person. Travel that is to be undertaken during the project period for non-routine purposes requires prior approval from LCLE. Prior authorization is obtained by submission of a written request submitted to LCLE 30 days prior to the registration deadline. The written request needs to include the names of those who will attend the event, how this travel request is related to each individual's role in the funded program, a copy of the brochure, projected costs, and dates of travel. Any requests received after the 30 days will be considered on a case-by-case basis. LCLE may require a formal agenda from the event and support of costs as required by State travel regulations when expenditures are reported and reimbursement is requested.

## **Equipment**

Allowable equipment items are subject to program regulations in which an application is being made. Where equipment is an allowed cost to a program, State procurement rules applicable to the applicant organization are to be followed. An explanation of the applicant's intended procurement method and procedure will be required in the budget narrative.

Each organization shall have an equipment inventory control system to account for all equipment purchased with project funds. Any non-consumable item with a useful period of two or more years is considered equipment. Carefully read program guidelines to ascertain whether equipment costs are allowable. Equipment purchased must be itemized and reported on the Inventory List during the fiscal reporting period in which it was purchased. The Inventory List is an on-going report during the life of the project.

## Supplies and Operating Expenses

**Supplies** – Allowable supply items are subject to program regulations in which an application is being made. Where supplies are allowed as costs to a program, State procurement rules applicable to the applicant organization are to be followed. Supplies can be grouped as:

1. General office supplies such as pens, pencils, paper, toners, general postage, etc. that are necessary for daily operation of the project;
  - a. General Office Supplies can be listed as “Basic General Supplies” and are allowed \$50 per month up to \$600 for a 12-month project period. Anything over this amount, you must itemize the office supplies.
  - b. DARE Projects ONLY – DARE projects are restricted to the type of items that can be purchased and have funding limitations. Refer to the DARE program guidance.
2. Program supplies such as brochures, certificates, curricula, compact discs, etc. that are necessary to the function of the project, and
3. Other supplies such calculators, hole punchers, etc. are to be detailed with the quantity, price and relationship to the project.
4. Postage for large mail outs such as brochures, newsletters, training registrations, etc. is not considered part of general postage and should be itemized separately.

**Operating Costs** – Costs that are directly related to the project and cannot be classified in any other budget category are considered other direct costs. Some examples of these costs include, but are not limited to; registration/tuition, utilities, rent, printing/publication, equipment maintenance costs, service agreements. Some of these costs should be pro-rated for the portion that is attributable to the project. Justification to be included in the budget narrative must exemplify how the pro-rated share is derived. Each requested item must be listed as a separate line item.

Carefully read program guidelines to ascertain whether supplies and operating costs are allowable.

## Contract Services

In the event that contracts for goods and/or services are required and the cost of such is allowed by program guidelines, proper procurement must be followed. The intended method of procurement must be detailed in the application. Applicants cannot enter into a sole source contract without prior sole source approval according to LCLE Policy. A written request must be attached to the application. Please refer to sole source guidelines that can be downloaded from Egrants’ LCLE Budget – Equipment or Egrants’ LCLE Budget – Consultants or LCLE’s website, [www.lcle.la.gov](http://www.lcle.la.gov).

The LCLE contract template is the only acceptable format and can be downloaded from the Egrants’ LCLE Budget – Consultant section of the application or LCLE’s website, [www.lcle.la.gov](http://www.lcle.la.gov). Grant funds to be applied to a larger contract between the applicant and a third party are to be defined in the Scope of Services of the LCLE contract template. The third party contract must then be attached to the signed, executed contract. An **original** signed, executed

contract must be submitted to LCLE before expenditures of the category are approved and reimbursed.

## **Training Projects**

Applicants who are utilizing program funds to conduct local or statewide training must receive prior authorization from LCLE before any training is scheduled. To receive authorization, the applicant must submit the topics, targeted audience and estimated number of attendees, tentative date(s) and location(s), tentative agenda, and estimate of costs.

## CHAPTER 6 – POST-AWARD OBLIGATIONS

This chapter outlines LCLE's expectations for recipients of state funds after an application is approved. It describes the reporting and record keeping procedures that are necessary to meet State requirements. It does not present any formulas for successful project management. **If questions arise or problems are being encountered in managing the project, please contact the LCLE's Grants Section for assistance as early as possible.**

All records, papers, and other documentation relating to receipt and disposition of subgrant funds that are kept by subgrantees and their contractors must be available for inspection by the public under the terms and conditions of the federal Freedom of Information Act (5 U.S.C. 522). However, nothing in this section shall be construed to require disclosure of information deemed confidential by law. Refer to Standard Condition.

### Subgrant Award and Project Implementation

Within approximately four weeks after LCLE approves a project for funding, the subgrantee will receive official notification by an award letter. The award letter will contain special conditions placed on the approval of funding by the LCLE. **Compliance with all special conditions is necessary to ensure the timely release of funds and adherence to program regulations.**

In the event LCLE approves an application for an organization that has not responded to staff or its respective Advisory Board's request, a transmittal letter will be issued acknowledging LCLE approval contingent upon deficiencies being addressed/submitted within **five (5)** days of the letter. After the applicant has satisfied the requests, the award letter will be issued. Most minor deficiencies can be addressed **prior** LCLE approval.

The State Fiscal Year is July 1 of the current year through June 30 of the succeeding year. Program requirements for state funding may have limitations on the number of months that a project shall be funded.

The award letter contains the official project start and end dates. If the project has not commenced within 30 days after the official start date, the applicant's Project Director must report by letter the steps taken to initiate the project, the reasons for the delay, and the expected start date. A project that is not operational within ninety (90) days of the official start date requires a further written statement from the Project Director to the Commission explaining the delay. LCLE, where warranted by extenuating circumstances, may extend the implementation date of the project past the 90-day period. In lieu of granting an extension, LCLE has the right to cancel the project and de-obligate the funds. An award in no way obligates the Commission to fund the project beyond the established project period.

Subgrant payments are made on a reimbursement basis. Reimbursements cannot be made until special conditions withholding funds have been satisfied. The schedule and amount of payments will be determined upon analysis of the information received in the quarterly (or interim, if applicable) fiscal reports and the periodic program reports. Non-submission of the required

reports within the prescribed time will result in payment delays. Requests for advance payments are generally not approved unless the subgrantee demonstrates a special need for working capital or other conditions warrant such payments.

Because periodic drawdowns are based upon the receipt and approval of all reports, it is very important to submit all post-award reports on time. If the reports are delinquent, a hold is automatically placed on the release of further drawdowns until reporting has been brought into compliance. Please refer to the “Reporting Requirements” section of this chapter for more details.

## **Accounting System Requirements**

The subgrantee must maintain an accounting system that properly and accurately documents and controls the receipt and disbursement of project funds. The objectives of the project accounting system are to provide the subgrantee with needed management information and financial controls and to record and present historical financial information in an organized manner. Subgrantees are encouraged to use their established financial procedures, providing these procedures permit verification of compliance with the fiscal requirements of LCLE subgrants.

The subgrantee’s accounting system must provide effective financial controls. Unless commonly accepted standards of financial responsibility have been followed, **audits may result in the disallowance of expenditures, creating a refund liability on the part of the subgrantee.**

The subgrantee is obligated to manage all financial affairs of the subgrant in compliance with accepted accounting procedures and in conformance with applicable federal, state, and local guidelines. The subgrantee must establish and assure that all project funds are properly accounted for and disbursed in accordance with applicable regulations. Subgrantees must maintain documents to support all transactions and should include purchase orders, receiving records, paid invoices, cancelled checks, personnel, payroll, time and attendance records, and other evidence to support expenditures.

1. Records should identify receipts of funds from all sources and disbursement of funds by expenditure type, and payee and should be summarized in cash receipts and disbursement journals.
2. Entries in accounting records should refer to subsidiary records and documentation that support the entry.
3. Information should be cross-referenced to provide a clear audit trail.

The subgrantee is responsible for establishing and maintaining an adequate system of accounting and internal controls for itself. An acceptable and adequate accounting system:

1. Presents and classifies the projected and historical cost of the grant for budgetary and evaluation purposes;
2. Includes an adequate system of internal controls to safeguard the funds and assets covered;
3. Provides data to establish that all expenditures are in compliance with the subgrant budget;

4. Provides cost and property control to ensure optimal use of funds;
5. Allows for the control of funds and other resources to assure that the expenditure of funds and use of property conform to any general or special conditions that apply to the recipient;
6. Meets the prescribed requirements for periodic financial reporting of operations; and
7. Provides financial data for planning, control, measurement, and evaluation of direct and indirect costs.

## **Obligation and Expenditure of Funds**

An obligation occurs when funds are encumbered, such as in a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the start date and up to the last day of the grant period in the award. Any funds not properly obligated by the subgrantee within the grant award period will lapse and revert to the awarding agency. No funds shall be obligated or expended prior to the official start date.

All project funds must be obligated by the termination date of the project. All project funds legally obligated by the termination date must be liquidated (expended) within 15 days of the subgrant termination date. All funds that are not obligated and/or expended as indicated must be returned to LCLE.

## **Fiscal Accountability**

LCLE stresses the importance of being accountable for all grant funds. The following procedures have been or will be implemented across all of LCLE's funding streams to ensure fiscal accountability.

### **Expenditure Supporting Documentation**

LCLE will periodically verify that subgrantee expenditures are consistent with approved budget categories, are eligible for reimbursement and that subgrantees are maintaining supporting documentation. LCLE has implemented a process where subgrantees are notified that they are required to submit the expenditure supporting documentation for some or all of the categories that are included in their Egrants fiscal report. Subgrantees are only required to submit expenditure supporting documentation when they are specifically notified by LCLE. Egrants users have the ability to attach documents to fiscal reports. Preferably, all requested expenditure supporting documentation will be attached to the fiscal report using the fiscal report attachment feature.

### **Subgrantee Payment**

All subgrantees are required, at a minimum, to submit quarterly fiscal reports. LCLE will only make payments to reimburse actual expenditures reported on the fiscal reports. If an agency is experiencing cash flow problems, they may submit interim fiscal reports and LCLE will reimburse reported expenditures.

## **Line Item Detail**

The fiscal report allows subgrantees to include line item expenditure detail. Subgrantees are required to populate the fiscal report consistent with the line items included in their approved budget.

## **Subgrantee Risk Classification**

LACLE utilizes a risk classification system to identify and structure its resources to provide guidance to recipient agencies/organizations that may be most in need of additional oversight.

## **Time and Attendance Reports (timesheets)**

See the Time and Attendance Reports section under the Personnel Budget Category heading in Chapter 4 of this manual.

## **Property Inventory Record**

Records must be maintained for each non-expendable item of personal property that costs \$500 or more and has a useful life of two or more years. As equipment or other non-expendable property is purchased and received, a property inventory record should be completed and made a part of the permanent subgrant file. The following items should be included on the property inventory record:

1. Serial identification number
2. Inventory quantity
3. Property description
4. Date acquired
5. Cost
6. Location of property
7. Employee assigned to use the equipment (if applicable)

Upon completion of a project, refer to the Title to Subgrant-funded property section of this Chapter for instructions for disposal of this non-expendable property.

## **Vendor Invoices**

At a minimum, the following items should be included on an invoice the subgrantee receives from vendors/subcontractors involved in the subgrant project:

1. Payee
2. Invoice date
3. Invoice number
4. Description of each product and/or service provided to the subgrantee
5. Unit price of each product and/or service provided to the subgrantee
6. Total amount for each product and/or service
7. Total invoice amount

## Reporting Requirements

### Quarterly Reports:

For most projects, subgrantees are required to report the fiscal and programmatic status of each LCLE-funded project on a quarterly basis throughout the life of the project. If additional reports are needed, or the reporting schedule is different than the standard quarterly schedule, the additional requirements will be explained in the funding guidelines during the solicitation process. All reports are submitted online through Egrants. The following reports are required:

1. Cumulative Fiscal Report; and
2. Program Report

A section explaining project fiscal and program reporting requirements is available in Egrants. In addition, alerts are sent via email to all subgrant contacts established in Egrants indicating that reporting due dates are approaching.

NOTE: Program reports and fiscal reports are due within 15 days after each calendar quarter unless otherwise noted. Calendar quarters are those ending March 31, June 30, September 30 and December 31. Since both fiscal and program reports form the basis for determining further disbursements of federal/state funds, it is essential that these reports be submitted on time.

### Quarterly Report Schedule

Program reports are due by the 15<sup>th</sup> of the month following the end of the calendar quarter. Fiscal reports are due by the 15<sup>th</sup> of the month following the end of the calendar quarter. A schedule for quarterly reporting based on the anticipated start date follows:

<b>Anticipated Start Date Month of:</b>	<b>Report Type</b>	<b>1<sup>st</sup> Report Due Date</b>	<b>2<sup>nd</sup> Report Due Date</b>	<b>3<sup>rd</sup> Report Due Date</b>	<b>4<sup>th</sup> Report Due Date</b>
<b>Jan, Feb, Mar</b>	<b>Fiscal Program</b>	April 15 April 15	July 15 July 15	October 15 October 15	January 15 January 15
<b>April, May, June</b>	<b>Fiscal Program</b>	July 15 July 15	October 15 October 15	January 15 January 15	April 15 April 15
<b>July, Aug, Sept</b>	<b>Fiscal Program</b>	October 15 October 15	January 15 January 15	April 15 April 15	July 15 July 15
<b>Oct, Nov, Dec</b>	<b>Fiscal Program</b>	January 15 January 15	April 15 April 15	July 15 July 15	October 15 October 15

If an extension of the project has been approved by LCLE, **additional** quarterly reports must be submitted to LCLE until the project is completed.

## **Additional Reporting Requirement**

In the event additional reports are found to be required, LCLE staff will provide specific instructions regarding submission.

## **Final Reporting Requirements**

The following three reports are due when all project obligations have been paid, but not later than 15 days after the end of the project period:

1. Subgrant Final Fiscal Report (select “Final” in Egrants fiscal report);
2. Subgrant Final Programmatic Report (select “Make Final Report” in Egrants Program Report); and
3. Subgrant Cumulative Inventory of Non-Expendable Property (must be submitted in Egrants for all equipment items purchased with subgrant funds).

## **Evaluation and Monitoring**

A project may be monitored or evaluated by LCLE and as necessary. The subgrantee is responsible for furnishing all data that may be required for monitoring and evaluation. Monitoring usually involves contacting the subgrantee or making a site visit(s) to determine the progress and accomplishment of the project.

Monitoring or evaluation of a project does not excuse the subgrantee from the timely submission of quarterly and final reports. In addition to these reports, the subgrantee is required to submit other reports as LCLE may require. (If such reports are necessary, LCLE staff will provide specific instructions.)

## **Project Modification**

Subgrantees must submit a Project Modification Request in Egrants and receive formal notice of approval from LCLE **before** enacting any major project and/or budgetary changes and **before** extending the project. All modifications must be made during the project period. A Project Modification Request should be submitted to LCLE when one or more of the following circumstances arise:

- Change(s) among budget categories: Changes that exceed 10% of approved budget categories.
- Change(s) to purchase additional items or other items that not included in the currently approved project budget.
- Change(s) to the personnel positions listed in the approved project budget including major salary reductions. Increases are not allowed unless they were identified during application time. LCLE must be notified immediately of personnel changes. LCLE will not consider, or approve changes that are not submitted timely nor those submitted at the termination of the project.

- Change which affects the project’s objectives or scope, e.g., a change in the target population and/or services to be provided. Minor changes in a project are to be reported on the Quarterly Progress Report.
- Change in the project’s duration.

Subgrantees may refer to the “Creating a Project Modification Request Quick Start Guide” in the Egrants Help Center for guidance in submitting a Project Modification Request. Applicants who are unsure as to whether or not a Project Modification Request is needed should call or email their LCLE program or fiscal staff manager. Their contact information is provided within the grant record in Egrants. Links to their email addresses as well as telephone numbers can be accessed.

**All Project Modification Requests must be submitted in Egrants, and the original, signed document (signed in BLUE) must be received by LCLE at least 30 days prior to the termination of the project period in order to ensure LCLE’s consideration of the request. In the last 30 days of the project period, exceptional requests for modification may be considered, but only if a detailed justification for the late request accompanies the request and LCLE finds that the justification merits consideration. No Project Modification Requests will be considered or approved if they are received by LCLE after the termination of the project period.**

## **Project Close-Out**

1. Prepare and submit the final Fiscal Report, the Final Programmatic Report, and the Inventory Report (if necessary).
2. Determine cash balances and return unexpended funds to LCLE.
3. Make all necessary accounting entries to close out project records.