

ATTENTION: ACJC has provided you with an interactive electronic version of the financial forms. This allows you to report your information faster and more accurately. In order for the auto-calculations to take effect, you must TAB through each field on both the Financial Detail Report (page 1) and the Summary Report (page 2).

FINANCIAL REPORT INSTRUCTIONS

Each agency receiving funds from the Arizona Criminal Justice Commission is required to complete a Financial Report. The frequency of reporting is outlined in the Grant Agreement. **Please ensure that the information provided includes only the part or percentage of your program that is funded by ACJC, and the funds required as match to be used in the program according to your Grant Agreement.**

***NOTE: Do not report an amount greater than your grant award amount.**

- ◆ Respond to all sections of the Report.
- ◆ Report a zero (\$0) in any space requiring a numerical response wherever no data exists.
- ◆ Enter the period date of the report by checking the appropriate check box and entering the calendar year of your report. Please indicate if this is the final financial report for your project.
- ◆ A completed report must be received on or before the due date listed in your Grant Agreement.

**Send to:
Program Coordinator or Manager
Arizona Criminal Justice Commission
1110 West Washington St., Suite 230
Phoenix, Arizona 85007
Fax: 602-364-1175**

PART I - FINANCIAL DETAIL

Requires an accounting of what you paid (This Period Expenses) and encumbrances (This Period Encumbrances) for each budget category.

Line Number

- 1. Personnel:**
 - a. Salaries** Charges for time worked by regular employees paid through the payroll system.
 - b. Fringe Benefits** (for salaries and/or overtime) Charges for payment of the employer's portion of FICA, health and accident insurance, retirement, etc.
 - c. Overtime** Charges for overtime worked by regular employees paid through the payroll system.
- 2. Professional and Outside/Consultant and Contractual Services:** Charges for outside services for non-employees to provide services. Example: audit costs, contract labor, etc.
- 3. In-State Travel:** Employee per diem cost and other related travel expenses in state. Use your agency travel policy to determine eligible costs.

4. **Out-of-State Travel:** Charges for employee per diem cost and other related eligible costs.
5. **Confidential Funds:** Costs associated with undercover operations. See definition for Confidential Funds. Only those agencies approved for confidential expenses are to use this line item. See Grant Agreement.
6. **Operating Expenses:** Only those operating expenses approved in your Grant Agreement are to be included.
 - a. **Supplies** Paper, pencils, general expendable office supplies, fuel, postage, etc.
 - b. **Registration/Training** Registration charges for training classes, training fees paid.
 - c. **Other Insurance and Related Charges** (risk management, general liability), Rental charges (telephone, cellular), Utilities charges, Rent of Land and/or Buildings, Repair and Maintenance (buildings, vehicles, information technology), Data Processing, Dues, and Other Miscellaneous Operating.
7. **Equipment:** Only those equipment expenses approved in your Grant Agreement are to be included (costs associated with the purchase of equipment such as furniture, computers, software, licensing, etc). Do not charge equipment lease costs to this line; this item belongs in the operating expenses category.
 - Capital** \$5,000 or above. If the grantee policy defines capital equipment as less than \$5,000 the grantee must use its own policy. Enter the detailed information on equipment purchases in the box provided at the bottom of the page and check the appropriate box.
 - Non-Capital** \$1,000 - \$4,999 and Technology Equipment \$0 - 4,999 with a useful life of one year or more. Enter the detailed information on equipment purchases in the box provided at the bottom of the page and check the appropriate box.
8. **Total Paid this period (expenses column):** The form will auto-calculate this total. Note: This figure will reflect actual funds spent. This number must reflect official financial records.
9. **Total Encumbrances this period:** The form will auto-calculate this total. **Note:** This figure will reflect ACJC funds encumbered (see definition) for this period. This number must reflect official financial records.
10. **Program Income spent this period:** requires reporting of expenditures paid from income generated as a result of, and expended on, grant-funded program activities. Only those programs generating and expending program income need to report this information. See the definition for program income in these instructions.
11. **SUBTOTAL:**
 - Period expense/encumbrance:** The form will automatically calculate the columns.

PART II - FINANCIAL SUMMARY A summary of how you spent your grant funds.

Line Number:

- A. Total funds spent from the prior report:** If this is the first reporting period, this line will be zero (\$0). In all subsequent periods, the number you enter here will come from line C of Part II of your prior Financial Report.
- B. Total funds spent this period:** The form will auto-calculate this total. This information is the Total Paid this period from page 1, line 8 on your report.
- C. Total funds spent to date:** The form will auto-calculate this total. This is the amount of funds you have spent since the beginning of the award period.
- D. Total encumbered this period:** The form will auto-calculate this total. This information is the Total Encumbrances this period from page 1, line 9 on your report. This is the amount of funds encumbered to pay but have not yet paid (see definition).
- E. Total spent and encumbered to date:** The form will auto-calculate this total. This is the cumulative sum of amounts spent and encumbered.
- F. Total grant award:** This is the amount of your total grant award, including the match, if applicable. The award amount is in your Grant Agreement.
- G. Balance of grant:** Subtract line E from line F and enter result. This is the balance remaining in your grant. The form will auto-calculate this total.
***Note** - This should never result in a negative amount.

For Federal Programs Receiving Funds In Advance

- H. Interest earned this period:** All interest earned on federal funds must be reported to the Arizona Criminal Justice Commission. Funds must be reverted to the Commission if applicable. See paragraph 6 of the Grant Agreement to determine if federal money is involved in the grant. This does not apply to those grants whose funding is received through reimbursements.
- I. Program Income received this period:** Federal Programs that generate and receive Program Income require an accounting of the Program Income received this period. Only those programs generating and expending Program Income are to report in this section. See definitions.

Important: *In order for the form to automatically calculate totals* based on your entries, you must TAB through both forms entirely.

BUDGET CATEGORY DEFINITIONS

Encumbrance

An obligation to pay for something you ordered through a purchase order, contract, or other commitment to pay. For instance, submitting a request for payroll checks that have not yet been paid by the end of the reporting period would be reported as an encumbrance. Once it is paid or canceled, it is no longer an encumbrance. Please enter the transaction in the expense column when it is paid in future months. The balance of the grant award is not an encumbrance.

Personnel/Salaries

Regular Base Pay including On-Call; Incentive Pay; High Risk (Hazardous) Duty; Shift Differential; Annual Leave; Sick Leave; Military Leave; Other Compensated Leave (Jury Duty, etc.).

Personnel/Fringe Benefits

Insurance (FICA Taxes, Medical Insurance, Basic Life, Long Term Disability, Unemployment compensation, Dental Insurance, Workers' Compensation); Retirement Plan; Uniform Allowance; Other Employee Related Expenses. Include fringe benefits on overtime.

Personnel/Overtime

Charges for any time worked in excess of normally set limits (either straight or time and one-half pay) including Compensation Time.

Professional and Outside/Consultant and Contractual Services

Note for federal grant awards: To check if a vendor or contractor has a debarment or suspension from doing business with federal funds as required in the Grant Agreement, check the Excluded Parties Listing System at <https://www.epls.gov/>.

Consultant fees including Expenses, Education and Training (payments to companies or individuals providing education and training services); Legal Services (charges provided by lawyers); Engineering and Design (engineering costs incurred prior to the construction phase). **There is a \$450 per day limit for consultant fees.**

In-State Travel

Airfare; Mileage - Private Vehicle; Motor Pool Charges; Lodging; Per Diem (Meals and Incidental Expenses); Other Miscellaneous In-State Travel.

Out-of-State Travel

Airfare; Car Rental; Lodging; Per Diem (Meals and Incidental Expenses); Other Miscellaneous Out-of-State Travel.

Confidential Funds (Awarded to some Federal grants only)

Note: Confidential funds are awarded only if the merits of a program/investigation warrant the expenditure of these funds and requesting agencies are unable to obtain these funds from other sources. Adequate controls over disbursement of confidential funds must be established to safeguard against the misuse of such funds, consistent with the *Office of Justice Programs Financial Guide*. An approved Confidential Funds policy must be submitted to the Commission office. This fund is not a petty cash fund.

Link: *Office of Justice Programs Financial Guide* <http://www.ojp.usdoj.gov/financialguide/>

Confidential Expenses are those monies allocated to:

Purchase of Services (P/S) Travel or transportation of an informant; the lease of an apartment, business front; luxury-type automobiles; aircraft or boat used to create or establish the appearance of affluence; and/or meals, beverages, entertainment (including buy money and flash rolls, etc.) For undercover purposes, within reasonable limits.

Purchase of Evidence (P/E) Purchase of evidence and/or contraband, such as narcotics and dangerous drugs, firearms, stolen property, counterfeit tax stamps, etc., required to determine the existence of a crime or to establish the identity of participant in a crime.

Purchase of Specific Information (P/I) Payment of monies to an informant for specific information. All other informant expenses would be classified under P/S and charged accordingly.

Operating Expenses

Note for federal grant awards: To check if a vendor or contractor has a debarment or suspension from doing business with federal funds as required in the Grant Agreement, check the Excluded Parties Listing System at <https://www.epls.gov/>.

Supplies: Paper, pencils, general expendable office supplies, fuel.

Registration/Training: Registration charges for training classes, training fees paid.

Other: Insurance and Related Charges (Risk Management, General Liability), Rental charges (Equipment, telephone, pages, cellular), Utilities charges, Rent of Land and/or Buildings, Repair and Maintenance (Buildings, Vehicles, Information Technology), Data Processing), Dues; and Other Miscellaneous Operating.

Equipment/Software and Licensing

Note: This category is restricted; written approval from the grantor agency is required prior to expenditure in this category.

Non-Capital: \$1,000 - \$4,999 and Technology Equipment \$0 - \$4,999 with a useful life of one year or more.

Capital: \$5,000 or above, if the grantee policy defines capital equipment as less than \$5,000 then the grantee must use its own policy. Equipment is the cost associated with the purchase of vehicles, furniture, telecommunications, computers, software and licensing, etc.

Note for federal grant awards

Program Income ("Anti-Racketeering" and "RICO"): All income generated as a direct result of an agency-funded project is program income. Program income should be used as soon as it is earned (prior to requesting federal funds) and expended on the broad objectives of the legislative purpose of the program. Program Income includes, but is not limited to, sale of seized and forfeited assets and money. State and local units of government may use program income funds from seized and forfeiture assets as match. For additional information, see the OJP

Financial Guide Chapter 4: Program Income.

Program Income Earned this Period: Income received from the sale, trade, or barter of seized and forfeited assets (personal or real property), or from seized and forfeited money.

Program Income Expenditures: Program income shall be used by the grantee for any purpose that furthers the broad objectives of the legislation under which the award was made (i.e., expanding the project or program, continuing the project or program that furthers the objectives, obtaining equipment or other assets needed for the project or program, or for other activities that further the stated objectives).

Other grant reference materials include: *OMB circular A-87 Cost Principles for Governments, A-122 Cost Principles for Non-Profit Organizations, A102 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments and Indian Tribes, A-110 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, A-133 Audit of Federal Grants and Cooperative Agreements* and *ACJC Grant Management Reference Manual*.

The Circulars and the Reference Manual, along with the Grant Agreement, will give guidance to manage your grant program.

Link: <http://www.whitehouse.gov/omb/circulars/>
http://azcjc.gov/pubs/home/Grant_Management_Manual_9_2008.pdf