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**EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT
PROGRAM (JAG)**

State Project/Program: BYRNE JUSTICE ASSISTANCE GRANT (BYRNE JAG)

**U.S. DEPARTMENT OF JUSTICE
BUREAU OF JUSTICE ASSISTANCE**

Federal Authorization: Part E of title 1 of the Omnibus Crime Control and Safe Streets Act of 1968 as amended Subpart 1 of such part (42 U.S.C. 3751-3759). Consolidated Appropriations Act, 2008, Public Law 110-161. Public Law 109-162. Title XI, Department of Justice Reauthorization, Subtitle B, Improving the Department of Justice's Grant Programs, Chapter 1, Assisting Law Enforcement and Criminal Justice Agencies, Section 1111. Merger of Byrne Grant Program and Local Law Enforcement Block Grant Program.

**NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY
GOVERNOR'S CRIME COMMISSION**

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The auditor should not consider the Supplement to be "safe harbor" for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a "safe harbor" for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

Auditors may request documentation of monitoring visits by the State Agencies.

This compliance supplement must be used in conjunction with the OMB 2024 Compliance Supplement which will be issued in the summer. This includes "Part 3 - Compliance Requirements," for the types that apply, "Part 6 - Internal Control," and "Part 4 - Agency Program" requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

I. PROGRAM OBJECTIVES

The purpose of the Edward Byrne Memorial Justice Assistance Grant Program, Byrne JAG, is to provide states and units of local government with funds to provide additional personnel, equipment, supplies, contractual support, training, technical assistance, and information systems for criminal justice.

II. PROGRAM PROCEDURES

The awarding Federal agency (DOJ) announces its programs available for funding to states in the Federal Register. The State submits its Application for Federal Assistance (SF 424) and DOJ reviews the application and approves it with an Award Document (form 4000/2) which provides the grant period, the award amount, special conditions, etc. The State accepts the award by signing the Award Document and returning it within 45 days from the beginning date of the award.

The State then announces its programs available for funding every year by November in its "Announcement of Availability of Federal Grant Funds." All eligible applicants are listed in the "Announcement." Eligible applicants include local units of government, councils of government, universities or colleges, independent school systems, state agencies, the Eastern Band of Cherokee Indians, and non-profit entities. Eligible applicants (Implementing Agencies) then submit an application for a project via the Governor's Crime Commission on the N.C. Department of Safety's website at <http://www.ncdps.gov/about-dps/boards-and-commissions/governors-crime-commission>. Once a grant project is recommended for funding and modifications have been made (if applicable), a Grant Award is issued which provides the federal award amount, the grant period, special conditions, etc. The subrecipient accepts the award by signing all Grant Award Packet contents and returning it within 30-days from the date in which the grant award was sent. Before beginning any grant activities, the subrecipient needs to complete and submit a Notice of Grant Implementation in GEMS.

The Office of Justice Programs Financial Guide and the GCC Grant Award Packet must be used for the administration of this grant.

III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency, noted as "Y," on the "Matrix of Compliance Requirements" located in Part 2 of the OMB 2024 Compliance Supplement; however, the State Agency may have added the Type and this should be noted by "Y." If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by "N."

If the Matrix indicates "Y," the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2024 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the “Matrix” in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	N

A. Activities Allowed or Unallowed

The U.S. Department of Justice, Bureau of Justice Assistance, has specific federally allowable program areas in which to expend their federal funds. The Governor’s Crime Commission selects their funding priorities from those specific program areas and those are listed in our “Announcement.”

Federal grant funds can then only be expended on those services that are directly related to their approved grant application. The project must be directly related to one of the federally recognized program areas.

The specific project activities allowed are those found in the “Project Narrative (Operation)” section, “Timeline of Project Activities,” and Project Goals, Objectives, Performance Measures and Evaluation Methods” section of the full application.

Suggested Audit Procedures

- Review the full grant application and note the following sections: “Project Narrative,” “Timeline of Project Activities,” and “Project Goals, Objectives, Performance Measures and Evaluation Methods.”
- Test expenditures and related records for adherence to approved application budget and any subsequent approved grant budget adjustments.

B. Allowable Costs/Cost Principles

All subrecipients are required to abide by the Office of Management and Budget (OMB) Circulars and Code of Federal Regulations, as applicable: A-102, A-87, A-110; 2 CFR Chapter I, Chapter II, Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR Part 210-Uniform Administrative Requirements for Grants and Agreements with State and Local Governments; 2 CFR Part 215-Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations; 2 CFR Part 220-Cost Principles for Educational Institutions; 2 CFR Part 225-Cost Principles for state, Local and Indian Tribal Governments; and 2 CFR Part 230, Cost Principles for

Non-Profit Organizations. The subrecipient must also comply with the “Standard Grant Conditions” as stated in the Grant Award Packet and any special conditions mandated by the Governor’s Crime Commission.

The Governor’s Crime Commission as a part of its monitoring efforts, considers allowable costs to be those that are listed in the approved grant application budget section of the approved full application and those which would be included on any approved grant budget adjustments.

Suggested Audit Procedures

- Review the approved grant application budget.
- Test expenditures and related records for adherence to approved application budget and any subsequent approved grant budget adjustments.

C. Cash Management

Funds are disbursed to subrecipients on a reimbursement basis through the Department of Public Safety fiscal section. No testing is required since funds are not advanced to subrecipients.

D. Reserve

Not applicable

E. Eligibility

Compliance Requirement

Eligible applicants include local units of government, councils of government, universities or colleges, independent school systems, state agencies, the Eastern Band of Cherokee Indians, and non-profit entities.

Suggested Audit Procedures

Review full grant application.

F. Equipment and Real Property Management

Compliance Requirement

Subrecipients are instructed to follow their own written policies for equipment purchases. If they do not have a written policy, they should follow the procedures in the Grant Award Packet that is distributed to all subrecipients each year.

All equipment purchases should be for the purposes or activities of the grant only. The title for equipment purchased under the grant is vested with the implementing agency.

According to the Grant Management Manual, the subrecipient is required to keep a Property Control Record Form for equipment purchased with grant funds.

Suggested Audit Procedures

- Verify that the subrecipient is in fact properly keeping the Property Control Record Form.
- Verify if the equipment still exists and is being utilized as stated in the full application.

- Verify as to whether the equipment has been disposed of or not and if the subrecipient has requested and properly followed the disposition instructions from the awarding agency.

G. Matching, Level of Effort, Earmarking

Not applicable

H. Period of Performance

Compliance Requirement

Federal funds can only be obligated within the period of availability listed on the Grant award document or as amended on a Grant Adjustment form.

Obligations must be liquidated within the required time period. The subrecipient has 60 days within which to request their final reimbursement of funds. Failure to request funds within this timeframe could result in the subrecipient not being reimbursed their final reimbursement of funds.

Suggested Audit Procedures

- Test a sample of transactions charged to the Federal award after the period of availability ends and verify that the underlying obligations occurred within the period of availability and that the liquidation (payment) was made within the allowed time period.
- Test a sample of transactions that were recorded during the period of availability and verify that the underlying obligations occurred within the period of availability.

I. Procurement and Suspension and Debarment

Compliance Requirement

According to the aforementioned OMB Circulars and Code of Federal regulations (A-102, 2 CFR Parts 200, 215, 220, 225 and 230) and as stated in the Grant Award Packet, the subrecipient must comply with Federal Debarment and Suspension regulations by requiring completion of the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions" by subrecipients prior to entering into a financial agreement with the subrecipients for any transaction as outlined below:

Any procurement contract for goods and services, regardless of amount, under which the subrecipient will have a critical influence on or substantive control over the transaction.

The subrecipient is responsible for monitoring the submission and maintaining the official document for review by the Governor's Crime Commission.

Suggested Audit Procedures

- As stated in the Grant Award Packet, verify that all contracts have received prior approval by the Governor's Crime Commission.
- Verify completion of the certification regarding suspension and debarment.

J. Program IncomeCompliance Requirement

Program income is for the State level for this grant which is recorded monthly based on bank statement from NC Department of the State Treasurer by the NCDPS Fiscal Division. It is reported quarterly on the SF425 as expended. A reclass between the program income cost center and subrecipient cost center is done quarterly to reduce the Federal funds used with program income earned.

K. Reserve

Not applicable

L. ReportingCompliance Requirement

The subrecipient is required to submit to the Governor's Crime Commission Grants Management Section the "Notice of Grant Implementation" form within sixty days of the beginning of the grant period, normally October 1st during the regular grant cycle.

The subrecipient is also requested to submit monthly "Expense Reimbursement Reports" to the Governor's Crime Commission. The "Expense Reimbursement Report" is a document which the subrecipient uses to report their monthly expenditures according to the five major budget categories (personnel, contractual, travel, supplies/ operating expenses, and equipment). Along with the Expense Reimbursement Report, the subrecipient is required to provide grants management staff with photocopies of expenditure documentation (i.e., timesheets, travel logs, purchase orders, invoices, etc.).

An annual Grant Progress Report is due each year of a grant. If the subrecipient has a two- year grant, the first Grant Progress Report is due by November 30th. Second year funding will not be added to a grant without the accompanying progress report. The second and/or final Grant Progress Report must be submitted along with the "final" expense reimbursement report. Payment of the "final" expense reimbursement report will not be made without the submission of the final programmatic report(s). Subrecipients are required to submit Quarterly PMT Reports on-line at <https://bjapmt.ojp.gov/>. These reports are due the 10th of the month following the close of a quarter.

Reporting Time Period	Due Dates
July 1 – September 30	October 10
October 1 – December 31	January 10
January 1 – March 31	April 10
April 1 – June 30	July 10

Instructions for reports and reporting are included in the Grant Award Packet.

Suggested Audit Procedures

- Review the subrecipient's procedures for preparing Data Reports and evaluate for adequacy.
- Test reports for completeness.
- Trace data on reports and verify that they agree with supporting documentation.

- Review adjustments made to General Ledger amounts in the reports affecting State and/or Federal programs and then evaluate for propriety.

M. Subrecipient Monitoring

Subrecipient monitoring is conducted through various monitoring activities such as reviewing reports submitted by the subrecipient, desk monitoring, phone calls, performing site visits to review financial and programmatic records and observe operations, arranging for agreed-upon procedures engagement for certain aspects of subrecipient activities, such as eligibility determinations, reviewing the subrecipient's single audit or programmatic audits results and evaluating audit finding and the subrecipient's corrective action plan. This applies when awards are passed through to a subrecipient.

N. Special Tests and Provisions

Not applicable