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COMMONWEALTH OF VIRGINIA

Compensation Board

P.O. Box 710
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February 23, 2010

EMAIL MEMORANDUM

TO: Sheriffs, Regional Jail Superintendents, County Administrators and City Managers

FROM: Robyn M. de Socio, Executive Secretary

RE: FY10 Federal Funds Distribution Notification

I am writing to provide additional information regarding the distribution of federal funds to localities and regional jails in support of operations in Sheriffs' Offices and Regional Jails. As you are aware from previous communications this year, FY10 budget amounts that were proposed for reduction were restored during the 2009 legislative session with federal stimulus funds.

We have previously obtained your agreement to receive, account for, and report on the use of these funds, and we have previously provided you with the amount of federal stimulus funds to be received in your locality or regional jail this year. At this time, I am writing to provide you with the Compensation Board's timeline for distributing these funds, and to provide you with additional information regarding documentation, reporting and other requirements necessary for the disbursement of the federal funds.

The Compensation Board will begin disbursing federal funds in March, 2010, and will require the reporting of certain information in March, 2010. Please review all sections of this document thoroughly to ensure you are aware of all requirements to be met at this time and in the coming months. In this document we are providing: 1) background information on the use of the federal funds for sworn personnel salary costs; 2) accounting information and the timeline for disbursement of the federal funds; 3) sheriff and regional jail documentation requirements and local reporting requirements; 4) additional registration and submission requirements.

Once you have reviewed the attached document, please forward this information to the appropriate personnel for review. The Sheriff or Regional Jail Superintendent is responsible for maintaining documentation related to work hours for the time period covered, providing such documentation to your local government finance personnel for reporting and ensuring information is reported to the Compensation Board as requested in a timely manner. Local government officials are responsible for reporting salary and work hours information for the grant period, meeting registration requirements, proper accounting of federal funds received and providing financial and audit records as requested. I strongly urge Sheriffs and locality finance personnel to work closely together to ensure proper reporting of information to the Compensation Board in the coming months.

FY10 JUSTICE ASSISTANCE GRANT DISBURSEMENT INFORMATION
COMPENSATION BOARD REIMBURSEMENT FOR
SWORN PERSONNEL SALARIES

Background Information and Use of Federal Funds to Support Sworn Personnel Costs

The Compensation Board reimburses localities and regional jails monthly for expenses incurred in the previous month in the support of the operations of the Sheriff's office or regional jail. These expenses include salaries and benefits of personnel performing all duties and functions supporting the operation of the Sheriff's office or regional jail. These expenses have historically been supported with state general fund dollars. However, in December, 2008, the Compensation Board notified Sheriffs, regional jails and localities that it anticipated these reimbursements would be reduced in FY10 due to statewide general fund revenue shortfalls and proposed appropriation reductions. During the 2009 legislative session, the General Assembly restored these funds in FY10 using a portion of the Commonwealth's distribution of the federal Edward Byrne Memorial Justice Assistance Grant (JAG) provided through the American Recovery and Reinvestment Act of 2009 (ARRA).

The ARRA JAG funds are being disbursed through the Compensation Board to local governments and regional jails specifically for the purposes of supporting the salaries and benefit expenses of sworn personnel in sheriffs' offices and regional jails completing all duties related to those of a sworn deputy sheriff or regional jail officer, including law enforcement, court security and process, and corrections responsibilities. All salary and benefit expenses paid by the Compensation Board are in support of these responsibilities for sworn personnel, and therefore all Compensation Board reimbursements for sworn personnel for hours worked or on paid leave are eligible expenses to be paid with ARRA JAG funds.

Each month, the Compensation Board requires that the Sheriff or Regional Jail Superintendent, and the County Administrator, City Manager, Jail Board Chairman, or his/her delegate, each certify that personnel records and expenses incurred for support of all personnel, including sworn personnel, are accurate and that funds sought for reimbursement from the Compensation Board represent actual expenses that have been incurred and that have been already paid by the locality. However, there are additional recordkeeping requirements to support the distribution of federal funds in reimbursing the salary and benefit expenses for sworn personnel, and these records must be maintained for the month in which the federal funds are used to pay these expenses (February, 2010). Please see the section below entitled "Sheriff's Office and Regional Jail Documentation and Local Reporting Requirements" for more information.

FY10 JUSTICE ASSISTANCE GRANT DISBURSEMENT INFORMATION

Accounting Information and Timeline for Disbursement of Federal Funds

The Compensation Board will include federal JAG funds in reimbursements to local governments and regional jails paid in late March for expenses incurred in February. The federal JAG funds will pay up to 90% of the amount of Compensation Board reimbursable salaries and FICA reimbursement for each sworn deputy and regional jail officer for the month. For most offices, this will allow all JAG funds to be disbursed in one month. A few offices may have monthly salary expenses that are less than the locality's allocation of JAG funds, and those localities will be reimbursed additional JAG funds in April for March expenses. Those offices will be contacted individually for additional information.

When reimbursement payments are sent to the locality, an EDI transmittal document identifies funds transferred. This document will not identify reimbursements of state general funds versus federal funds. However, the Compensation Board will provide a database prior to the EDI transmittal date identifying sworn salary and FICA reimbursements by position, broken down between federal JAG fund dollars and state general fund dollars, so that finance offices may properly account for the funds. Quarterly disbursement reports from the Office of the Auditor of Public Accounts will also identify the federal funds disbursed.

Following are the relevant dates for completing the transmittal:

- **Friday, March 12** - All Sheriffs' offices and regional jails are asked to have their February reimbursement request completed in the COIN system, including local government certifications;
- **Friday, March 19** - The database identifying the split between state and federal dollars for the reimbursement will be available on the Compensation Board website;
- **Tuesday, March 23** - EDI Transmittal date for reimbursement payments

FY10 JUSTICE ASSISTANCE GRANT DISBURSEMENT INFORMATION

Sheriff's Office and Regional Jail Documentation and Local Reporting Requirements

You currently retain personnel documentation to support classification, salary levels approved, and requests for reimbursement for actual expenses incurred in the support of your Compensation Board funded sworn personnel. In addition, to comply with federal grant requirements, **you are required to retain documentation (such as time sheets and/or leave reporting records) showing daily work hours and leave hours for which all Compensation Board funded sworn personnel are paid by the locality or regional jail and reimbursement is sought from the Compensation Board for the month of February, 2010.** This will ensure you are maintaining documentation related to the number of work hours attributed to the federal grant. Also, please ensure extra diligence in recording in the COIN reimbursement system any personnel changes or adjustments (such as leave without pay) that may have occurred during the month of February prior to certifying your request for reimbursement for February in March. Adjustments to amounts paid after the reimbursement with federal funds has occurred may create accounting problems and federal audit questions. While you may not be required to provide timesheets and/or leave records to the Compensation Board, you may be required to provide these records during audits or other reviews of federal fund utilization.

There is additional recordkeeping information that the Compensation Board will need in order to centrally handle the federal reporting requirements (Section 1512) for the use of ARRA funds, and separate reporting requirements for the JAG program. **Beginning March 3, the Compensation Board will provide a template in which you will need to report the following information for each Compensation Board funded sworn deputy or regional jail officer:**

- Actual hours worked in February, 2010 (excluding leave hours)
- Total number of work hours in a full-time schedule for the quarter: January 1, 2010 through March 31, 2010 (as an example: 40 hrs per week x 13 weeks per quarter = 520 hours in a full-time quarter; however, use your normal shift schedules to determine the normal full-time work hours in the quarter)
- Actual salary amount paid in February, 2010 (local salary amount; only matches CB salary amount if there is no local salary supplement)

Additional information and examples will be included with the template reporting format and submission instructions provided March 3, 2010. The completed information will be due to the Compensation Board no later than Friday, March 12, 2010.

FY10 JUSTICE ASSISTANCE GRANT DISBURSEMENT INFORMATION

Additional Registration and Submission Requirements

The Code of Federal Regulations, specifically 2 CFR 176.50 (c), requires that all sub-recipients of ARRA funds be registered in the Central Contractor Registration (CCR). All local governments and regional jails receiving the disbursement of funds for sworn personnel salaries are considered subrecipients of the ARRA JAG funds and must register at www.bpn.gov/ccr/default.aspx if not already registered. Please note that you must have your DUNS number available to register (all offices have already provided DUNS numbers to the Compensation Board) and that CCR requires registrants to update or renew their registration at least once per year to maintain an active status. Registration can usually be completed within one to two business days. **You will be asked to confirm your registration with CCR when you report data by mid-March.**

In the disbursement of federal funds, the Compensation Board has an obligation to ensure proper accounting and management by local government and regional jail recipients. The Compensation Board has reviewed FY08 and FY09 Comprehensive Annual Financial Reports (CAFR) with respect to the handling of federal funds, and may contact some localities in the next couple of weeks if necessary with questions. As a follow-up to our disbursement of federal funds this year, you will be required to provide a copy of your local government CAFR (or regional jail report) for FY10 once completed, including the federal single audit attachment regarding internal control and compliance in accordance with OMB Circular A-133.