

General Grant Requirements – All Grants

TJPC-FY2005

Effective date 09/01/2004, TJPC-FY2005

Latest Revision 09/01/2004, TJPC-FY2005

I. GRANT DESCRIPTION.

- A. General Grant Requirements are those requirements that apply to all grants received from the Texas Juvenile Probation Commission for any purpose. These requirements are in addition to those specific grant requirements listed in each individual grant. If any provisions of the General Grant Requirements conflict with any provision under any individual grant, the specific grant provision controls.

II. GENERAL GRANT DEFINITIONS.

- A. **Authorized Designee.** An authorized designee is any person, entity, state agency or federal agency to whom authority has been contractually or statutorily delegated to act in cooperation or consultation with the Commission regarding any program or service provided under any individual grant, (e.g., State Auditor's Office, Department of Family and Protective Services, Texas Department of Mental Health and Mental Retardation, etc.).
- B. **Juvenile Justice Program.** A program operated for the benefit of juveniles referred to the juvenile probation department that is wholly or partly operated by the juvenile board or by a private vendor under contract with the juvenile board. As defined in Texas Family Code Section 261.405, this term also includes juvenile justice alternative education programs (JJAEPs) and non-residential programs that serve juveniles that have been referred to the juvenile probation department and who are under the jurisdiction of the juvenile court. A juvenile justice program does not include any program operated in a facility that is licensed or operated by a state agency other than a facility registered with the Commission.
- C. **Juvenile Probation Services.** Juvenile probation services means services provided by or under the authority of the Grantee and provided by the juvenile probation department or other entity, including services contracted with third-party service providers, in response to a policy or directive instituted by the governing juvenile board or an order issued by a juvenile court and under the court's direction, including:
1. Protective services;
 2. Prevention of delinquent conduct and conduct indicating a need for supervision;
 3. Diversion;
 4. Deferred prosecution;
 5. Foster care;
 6. Counseling;
 7. Supervision;
 8. Diagnostic, correctional and educational services; and
 9. Services provided by a juvenile probation department that are related to the provision of services, operation of a secure pre-adjudication detention facility, a short-term detention facility (holdover), a secure post-adjudication correctional facility, a non-secure residential treatment facility, a juvenile justice alternative education program or a juvenile justice program as defined in Texas Family Code Section 261.405.
- D. **Progressive Sanctions Model.** The Progressive Sanctions Model is a set of graduated dispositional guidelines defined in the Texas Family Code Chapter 59. The Model provides uniform and consistent standards in juvenile case dispositions, taking into account the seriousness of conduct, history of delinquent conduct, previous interventions, special treatment/training needs and special circumstances of the juvenile.
- E. **Service Provider.** A service provider is a public or private vendor that is funded in whole or in part using grant funds and obligated under the terms of a procurement contract with the Grantee to provide goods and/or services for the operation, management or administration of juvenile probation services as defined in the Texas Human Resources Code Section 142.001.

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III. PERFORMANCE MEASURES.

- A. **Goal.** The goal of the Commission's grants is to reduce delinquency, increase offender accountability and rehabilitate juvenile offenders through a comprehensive, coordinated, community-based juvenile probation system.
- B. **Program Objective.** The objective of the Commission's grants shall be to promote the delivery of safe and effective juvenile probation services and juvenile justice programs that maximize adherence to Commission standards and policies.
- C. **Program Performance.** Overall Grantee performance shall be determined using the following measures:
 - 1. One year re-contact rate for juveniles served by the juvenile probation department; and
 - 2. Average cost per juvenile served.

IV. PROGRAMMATIC COMPONENTS.

- A. **Requests for Information.** The Grantee shall fully and promptly comply with all reporting requirements and requests for information issued by the Commission or its authorized designee that are required under any grant or that are necessary for any legislative requests for information, surveys or studies which may be undertaken by the Commission or its authorized designee or any office or agency for or on behalf of the State of Texas. The Grantee shall provide any information requested by the Commission or its authorized designee in the format requested or supplied by the Commission. The Grantee shall ensure that its staff, interns, volunteers and subcontractors comply in a timely and complete manner with all the Commission's requests for information made during the course of on-site monitoring visits, unannounced monitoring visits, child abuse, neglect and exploitation investigations, fiscal audits, programmatic audits or other on-site inspections. The Grantee shall ensure that it complies with all the Commission or its authorized designee requests for information arising out of any other investigation being conducted by the Commission or its authorized designee that involves the Grantee's probation department or any juvenile justice program operated in whole or part by the Grantee or operated by a private vendor operating under the Grantee's authority. The Grantee shall ensure that it complies in a timely manner with requests by the Commission or its authorized designee for financial information related to evaluating costs of programs and services provided by the Grantee's probation department. The Grantee shall timely submit, in the manner and format specified by the Commission, any files or records of the Grantee's juvenile probation department or any facility or program operated by or under the authority of the Grantee that may be requested by the Commission or its authorized designee as a part of the monitoring, auditing or investigatory process.
- B. **Compliance with Agency Administrative Law.** The Grantee shall comply with all the Commission administrative rules contained in Title 37 Texas Administrative Code that are applicable or become applicable during the term of the State Financial Assistance Contract to the Grantee, the juvenile probation departments and any juvenile justice programs, services and facilities operated or provided by or under the authority of the Grantee. The Grantee shall be bound by all interpretations and requirements included in the Compliance Resource Manual.
- C. **Legal Compliance.** The Grantee shall comply with all applicable state and federal laws that may affect operations of the Grantee, the juvenile probation departments and any juvenile justice programs, services and facilities operated by or under the authority of the Grantee. The Grantee shall acknowledge that the citation of specific state and federal laws herein shall not be construed as a comprehensive listing of all applicable laws with which the Grantee may be required to comply.
 - 1. **State and Federal Juvenile Law Compliance.** The Grantee shall comply with all procedural and substantive requirements of the Juvenile Justice Code found in Title 3 of the Texas Family Code. The Grantee shall comply with all requirements of federal law related to juveniles including, but not limited to, the *Juvenile Justice and Delinquency Prevention Act of 1974* and all subsequent amendments thereto. [See Public Law 93-415, 42 U.S.C. 5601 et. seq.]
 - 2. **Federal Law Compliance.** The Grantee shall comply with all applicable federal statutes and all requirements imposed by the regulations issued pursuant to these acts, specifically including, but not limited to the following:

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- a. **Nondiscrimination Statutes.** The Grantee shall comply with the following federal statutes relating to nondiscrimination and all requirements imposed by the regulations issued pursuant to these acts, including but not limited to:
 - i. *Title VII of the Civil Rights Act of 1964* as amended by the *Civil Rights Act of 1991* which prohibits discrimination on the basis of race, color or national origin;
 - ii. *Title IX of the Education Amendments of 1972*, as amended, which prohibits discrimination on the basis of sex;
 - iii. *Section 504 of the Rehabilitation Act of 1973* as amended, which prohibits discrimination on the basis of handicaps and the *Americans with Disabilities Act of 1990 (ADA)*;
 - iv. *The Age Discrimination in Employment Act of 1974 (ADEA)*, which prohibits discrimination on the basis of age;
 - v. *The Drug Abuse Office and Treatment Act of 1972* as amended, relating to nondiscrimination on the basis of drug abuse;
 - vi. *The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970*, as amended, relating to the nondiscrimination on the basis of alcohol abuse or alcoholism;
 - vii. *The Public Health Service Act of 1912* as amended, relating to confidentiality of alcohol and drug abuse patient records;
 - viii. *The Family and Medical Leave Act (FMLA)* as amended, which provides an employee with job-protected, unpaid family leave;
 - ix. *The Equal Pay Act of 1963 (EPA)* as amended, which prohibits sex-based wage discrimination between men and women in the same establishment who are performing under similar working conditions;
 - x. *The Pregnancy Discrimination Act of 1964* as amended, which prohibits sex discrimination on the basis of pregnancy; and
 - xi. *The Uniformed Services Employment and Reemployment Rights Act of 1994* as amended, which provides reemployment protection and prevents discrimination against uniformed service personnel.
 - b. **Employment Verification Statutes.** The Grantee shall comply with the requirements of the Immigration Reform and Control Act of 1986 as amended, regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services for or under the authority of the Grantee.
 - c. **Labor Statutes.** The Grantee shall comply with the minimum wage and maximum hours provisions of the *Federal Fair Labor Standards Act* and the *Intergovernmental Personnel Act of 1970*, as applicable.
3. **State Law Compliance.** The Grantee shall comply with all Texas state laws specifically including, but not limited to:
- a. The *Texas Commission on Human Rights Act (TCHRA)* as amended, which prohibits employment discrimination in virtually all aspects of employment in Texas;
 - b. The Texas Family Code Section 261.101 and Section 261.401, which require the reporting of all suspected cases of child abuse, neglect and exploitation of a child to local law enforcement or regulatory authorities;

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- c. The Texas Family Code, Section 231.006, which prohibits payments to a person who is in arrears on child support payments;
 - d. The Texas Family Code, Chapter 60, which contains the Uniform Interstate Compact on Juveniles dealing with, among other things, the out-of-state placement and return of runaways and juvenile absconders on probation or parole; and
 - e. *The Architectural Barriers Act*, Article 9102, Texas Civil Statutes which requires that public buildings and facilities constructed, renovated, or modified using state funds or funds of any political subdivision shall be accessible to and functional for persons with disabilities.
4. **Assessment.** The Grantee agrees to ensure that each juvenile's need for services is considered and evaluated when the juvenile probation department, prosecutor or court makes any dispositional decisions. The Grantee shall ensure that the mental health-screening instrument selected by the Commission, the *Massachusetts Youth Screening Instrument, Second Version (MAYSI-2)*, is administered to each juvenile according to Title 37, Texas Administrative Code Chapters 341 and 343.
 5. **Departmental Policies and Procedures.** The Grantee shall promulgate and enforce certain departmental policies and procedures specifically including the following:
 - a. **Workplace AIDS/HIV Guidelines.** The Grantee shall develop and implement guidelines regarding confidentiality of AIDS and HIV-related medical information that are consistent with the confidentiality guidelines published by the Texas Department of State Health Services and with state and federal law and regulations for its employees and for children referred to juvenile court. The Grantee shall comply with the Texas Health and Safety Code, Section 85.113, relating to workplace and confidentiality guidelines regarding AIDS and HIV.
 - b. **Equal Employment Policies.** The Grantee shall operate as an equal opportunity employer and shall not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services, programs or activities. The Grantee shall promulgate and enforce written departmental policies prohibiting harassment of employees on the basis of race, color, national origin, sex, religion, age or disability.
 - c. **Child Abuse, Neglect and Exploitation Reporting.** The Grantee shall ensure that all probation department and facility staff including interns, volunteers and subcontractors promptly report any suspected case of abuse, neglect or exploitation of a child to the appropriate authorities as required by law and in conformity with the procedures detailed in the Texas Family Code Chapter 261 and Title 37, Texas Administrative Code Chapters 341, 343, 347, 348, 349 and 351. The Grantee and its agents shall report any suspected case of abuse, neglect or exploitation of a child alleged to have occurred at any juvenile probation department, juvenile justice program or facility using the child abuse, neglect and exploitation incident reporting form as provided by the Commission, *TJPC Incident Reporting Form [TJPC-ANE-05-04]*. The Grantee shall ensure that its staff, interns, volunteers and subcontractors in the Grantee's jurisdiction are properly trained in the reporting requirements and procedures of the Texas Family Code Chapter 261 and any applicable Commission administrative rules regarding child abuse, neglect and exploitation allegations. The Grantee shall further ensure that any contract authorizing the placement of juveniles in a program or facility operated by or under the authority of the juvenile board of another county (i.e., contracting county) shall include a clause that requires the contracting county to report any suspected, pending or past allegations or investigations of abuse, neglect or exploitation involving a juvenile that has been placed by the Grantee. Grantee acknowledges the duties of this section exist regardless of whether the Grantee has entered into subcontracts with public or private providers for services. The Grantee shall accept full liability should a public or private service provider under contract with the Grantee fail to comply with the child abuse reporting requirements listed in this section.
 - i. **Dedicated Toll-Free Number.** The Commission shall make available a dedicated 24-hour, toll-free number and shall prepare and distribute to each Grantee the official notice to inform members of the public and staff of its availability to be used for the purpose of reporting allegations of child abuse, neglect and exploitation that occur in any juvenile justice program or facility operated by or under the authority of the Grantee or operated by a private entity through contract with the Grantee. The Commission shall make available an English and a Spanish version of the following

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official notices: *Notice to Public Regarding Abuse, Neglect and Exploitation* [TJPC-ANE-07-04] and the *Notice to Employees Regarding Abuse, Neglect and Exploitation* [TJPC-ANE-08-04]. These forms shall be available on the Commission's website. The Grantee shall prominently post both the English and Spanish language versions of the official notice in all public and staff areas of any juvenile probation office, satellite office and in any facility or program operated by or under the authority of the Grantee or operated by a private entity through contract with the Grantee.

- d. **Employment Disclosures.** The Grantee shall verify and disclose, or cause its staff, volunteers, interns and subcontractors to verify and disclose any arrest, any criminal history and any current criminal indictment involving a felony offense or misdemeanor or under the laws of this state, any other state or the federal laws of the United States and any offense that requires registration as a sex offender under the laws of this state or any other state. The Grantee shall verify and disclose, or cause its staff, volunteers, interns and subcontractors to verify and disclose any finding of "Reason to Believe" by a state regulatory agency in a child abuse, neglect and exploitation investigation where the staff, volunteer, intern or subcontractor was the alleged or designated perpetrator. This verification and disclosure shall be required of all persons who have direct contact with juveniles and shall be maintained in the Grantee's personnel files. These verifications shall occur pre-employment and the Grantee shall require on-going disclosure.

V. PROGRAMMATIC REPORTING.**A. Annual Reports.**

1. The *Annual Resource Report* [TJPC-RES-01-04] shall be submitted on or before January 31 each year in an electronic format as specified by the Commission.
2. The *Secure Juvenile Facility Registry Application* [TJPC-RES-02-04] shall be submitted in the electronic format specified by the Commission prior to opening a new facility or by January 20 of each year. This form shall be submitted by any secure pre-adjudication detention facility, short-term detention facility (holdover) or post-adjudication correctional facility that is operated by or under the authority of the Grantee.
3. The Grantee shall complete the *Designation of Key Personnel Spreadsheet* [TJPC-FIS-31-05] which is a spreadsheet in the Microsoft Excel format specified by the Commission. The spreadsheet shall be submitted to the Commission by electronic mail on or before the date the Contract is executed by the Grantee.
 - a. A person may not serve as Chief Administrative Officer and Fiscal Officer at the same time and a person may not serve as a Project Director and Fiscal Officer at the same time. One person may serve as the Chief Administrative Officer and Project Director simultaneously.

B. **Quarterly Reports.** See Individual Grant Requirements.

C. **Monthly Reports.** See Individual Grant Requirements.

D. **Other Periodic Reports.** See Also Individual Grant Requirements.

1. Grantee shall utilize the Commission's Compliance Monitoring, Enforcement and Tracking System (COMETS) to respond to all citations of noncompliance with standards and/or grant requirements issued in regularly scheduled monitoring visit performance reports and any Non-Compliance Citation Reports (NCCR) that are issued by the Commission. The Grantee shall submit the required corrective action responses within the mandated time frame as specified by the COMET System.
2. The Grantee shall notify the Commission of any change affecting the Grantee's official registry information, including administration, baseline services, programs, rated capacity or any other data submitted in the *Secure Juvenile Facility Registry Application* [TJPC-RES-02-04] regarding any secure pre-adjudication detention facility, short-term detention facility (holdover) or post-adjudication correctional facility operated by or under the authority of the Grantee. The Grantee shall ensure that any private vendor that operates a facility under the authority of the Grantee shall be contractually obligated to notify the Commission of any changes in official registry information. Changes shall be provided in writing to the Commission within ten (10) calendar days from the effective date of the change.

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3. The Grantee shall notify the Commission immediately of any change affecting the Grantee and the composition, structure, function or identity, such as the control, name change, governing board membership or personnel changes affecting the contracted services. Changes shall be provided in writing to the Commission within ten (10) calendar days from the effective date of the change.

VI. PROGRAMMATIC MONITORING.

- A. **On-Site Monitoring Visits.** The Grantee shall be subject to programmatic monitoring as scheduled at the discretion of the Commission. Scheduled on-site visits are announced and confirmed in writing at least 15 calendar days in advance of the actual visit whenever possible. Scheduled on-site visits shall be conducted during the program's regular operating hours. The visit can include a review of policies, procedures and records; interviews with staff, juveniles and other personnel; and a tour of the program or facility. The length of the visit depends on the size of the program or facility as well as the size of the Commission's monitoring team. Each visit will conclude with an exit conference with appropriate department and/or facility staff and the presentation of findings in the Performance Rating Profile Report.
- B. **Unannounced On-Site Monitoring Visits.** The Commission shall conduct unannounced site visits in addition to its scheduled on-site visits. Unannounced site visits may be made without any advance notification and may occur at any time. Unannounced visits may be entirely random or they may be made for cause. The Commission may determine cause by assessing information relating to a specific area of alleged standards non-compliance(s), patterns of actual or alleged non-compliance(s), as a means to monitor program improvement plans (PIPs), or due to a request for intervention from other state or local government entities, the public, etc. Unannounced on-site visits may also be conducted in conjunction with the Commission's formal abuse, neglect and exploitation investigations. The length and scope of an unannounced on-site visit shall be dependent on the circumstances that led to the visit. A Non-Compliance Citation Report (NCCR) will be issued for any verified non-compliance in an unannounced on-site visit.
- C. **Desk Audits.** The Commission may monitor compliance with standard or grant requirements by a desk audit which includes review of select records and program documentation. This review will require the department to forward or make available to the Commission any written policies and procedures, juvenile and staff records, juvenile board documentation, etc. The review of written documentation and materials may be supplemented by phone interviews with select staff and/or juveniles. Findings will result in a performance rating profile report or a Non-Compliance Citation Report (NCCR). Grantee shall ensure its agents will comply with all request of information during the course of a desk audit by the Commission or its authorized designee.
- D. **Other.** See Individual Grant Requirements.

VII. APPLICABLE LAW. The Grantee shall comply with the following applicable state and federal laws: See Also Individual Grant Requirements.**A. Applicable Standards.**

1. **Texas Administrative Code (TAC) Title 37 Public Safety and Corrections.**
 - a. Chapter 341 – Texas Juvenile Probation Commission.
 - b. Chapter 342 – Housing Non-Texas Juveniles in Texas Detention and Correctional Facilities.
 - c. Chapter 343 – Secure Juvenile Pre-Adjudication Detention and Post-Adjudication Correctional Facilities.
 - d. Chapter 347 – Title IV-E Federal Foster Care Programs.
 - e. Chapter 348 – Juvenile Justice Alternative Education Programs.
 - f. Chapter 349 – General Administrative Standards.
 - g. Chapter 351 – Short-Term Detention Facilities.

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B. General Statutes.**1. Federal Law.****a. Juvenile Justice and Delinquency Prevention (JJDP) Act of 1974, as amended.**

- i. 42 United States Code 5601, et seq.
- ii. 28 Code of Federal Regulations Section 31.303, et seq.

b. Office of Management and Budget (OMB) Circular A-102, as amended.

- i. 59 Federal Register 52224 - Office of Management and Budget (OMB) Circular A-102 - Grants and Cooperative Agreements with State and Local Governments.

2. State Law.**a. Texas Family Code, Title III, Juvenile Justice Code.****b. Texas Administrative Code (TAC) Title 1, Part 15 Health and Human Services Commission.**

- i. Chapter 351, Section 351.13 – Substitute Care Provider Outcome Standards.

c. Texas Human Resources Code.

- i. Chapter 141 – Texas Juvenile Probation Commission.
- ii. Chapter 142 – Juvenile Probation Departments and Personnel.
- iii. Chapter 152 – Juvenile Boards.

d. General Appropriations Act, H.B. 1, R.S., 78th Legislature, 2003, Article V.**e. Texas Government Code, Title 7, Uniform Grant and Contract Management.**

- i. Chapter 783 – Uniform Grant and Contract Management Act.

C. Policy.**1. Texas Juvenile Probation Compliance Resource Manual, Volumes 1 - 2, 2004.****VIII. FINANCIAL COMPONENTS.**

A. Allowable Expenditure of Funds. Unless otherwise indicated in the individual grant requirements, state funds shall be expended for juvenile justice programs and juvenile probation services as allowed in the *Expenditure Guidelines-All Grants* [TJPC-FIS-54-04].

B. Unallowable Expenditure of Funds. Unless otherwise indicated in the individual grant requirements, no state funds shall be expended for unallowable items as detailed in the *Expenditure Guidelines-All Grants* [TJPC-FIS-54-04].

C. Financial Match Requirements. See Also Individual Grant Requirements.

- 1. Certification of Local Expenditures.** Pursuant to the requirements of the Texas Human Resources Code Section 141.082, to be eligible to receive fiscal year 2005 funding under the State Financial Assistance Contract, the fiscal officer duly appointed by the Grantee shall submit the *Certification of Local Expenditures Report* [TJPC-FIS-41-04] that certifies local juvenile justice expenditures made by the local county or counties during fiscal year 2004 are equal to or greater than those made in fiscal year 1994.

D. Funding Adjustments.**Summary of Grant Requirements**

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1. **Reduction of Grant Payments.** The Commission shall review the Grantee's unexpended grant balances for each individual grant in the last three fiscal years. If the Commission determines that more than 10 percent of the amount awarded remained unspent or unencumbered at the end of each of the three fiscal years reviewed, it may reduce the fiscal year 2005 grant amount by the unspent balance of the fiscal year 2004 grant. The Commission may conduct an analysis and/or audit of the Grantee's level of referral activity, probation supervision activity and probation caseloads to determine the reasonableness of the amount of grant funds received by the Grantee in relation to these workload variables. As a result of this analysis, the Commission may reduce the amount of any grant awarded to the Grantee in this contract period or in any subsequent contract periods by an amount determined reasonable by the Commission.
 2. **Unexpended Balances.** With the exception of funding received under the E, L, P, R and V Grants, the Grantee shall refund to the Commission no later than December 15, 2005, any unexpended funds from any grant that is allocated under the State Financial Assistance Contract which are unencumbered by August 31, 2005 and unexpended by November 30, 2005.
 3. **Overpayments.** Any overpayments made by the Commission in regard to any grant discovered by the Grantee, its agent, the Commission or its authorized designee covered by the fiscal year 2005 State Financial Assistance Contract shall be refunded to the Commission within 45 calendar days after discovery or after receipt of a written notice from the Commission.
 4. **Refunds Due.** All refunds due to the Commission under any grant for unqualified expenditures, discovered by the Grantee, its agent or its authorized designee shall be returned to the Commission within 45 calendar days of confirmation.
- E. **Timely Expenditure of Grant Funds.** The Grantee shall expend funds in a timely manner. The Fiscal Division shall determine if an acceptable percentage of disbursed funds are expended during the designated reporting period in order for the Grantee to expend the full amount of the grant by the end of the contract period. If the Grantee fails to expend the grant funds in a timely manner, the Commission may reduce or suspend funds.
- F. **Audits.**
1. **Auditing Requirements.** The Grantee shall provide an independent financial compliance audit of funds received from the Commission under the State Financial Assistance Contract, specifically for the following grants: A, B, D, E, F, G, M, O, P, S, T, W, Y and Z. The audit shall be prepared in accordance with Generally Accepted Auditing Standards, Governmental Auditing Standards and the Commission's audit requirements that will be sent under separate cover by September 30, 2004 for fiscal year 2004 and September 30, 2005 for fiscal year 2005. The Grantee shall submit the fiscal year 2004 audit to the Commission no later than March 1, 2005 and the fiscal year 2005 audit no later than March 1, 2006. The audit shall include as part of the Report on Compliance and Internal Control, the specific financial assurances contained in Section VIII (G), of the General Grant Requirements and any individual grant as included in the State Financial Assistance Contract. The audit shall include an opinion on whether or not the Grantee complied with the applicable assurances. A summary of all material instances of non-compliance and an identification of the total amount of funds in question for each assurance shall be included in the audit. If the audit is not received by March 1, 2005 for fiscal year 2004 and March 1, 2006 for fiscal year 2005, the Commission shall issue a Non-Compliance Citation Report and may suspend funds.
- G. **Financial Assurances.** The following financial assurances are applicable to all grant funds unless explicitly authorized or excluded by the Commission within the individual grant requirements:
1. Separate accountability for the receipt and expenditure of all grant funds under the State Financial Assistance Contract is maintained for each grant from which the Grantee receives funds;
 2. Expenditures reported to the Commission are in agreement with the Grantee's accounting records and audited expenditures in each budget category;
 3. The grant funds are not expended for the purchase of equipment, renovation or construction. An item is equipment if county policy requires it to be capitalized or, if the county has no policy, it has a useful life of more than one year and a cost of more than \$5,000.00;

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4. In a multi-county department, grant funds used to reimburse the county providing the fiscal services for other counties in the department is reasonable compensation for the services actually provided. Payment does not exceed five percent (5%) of the funding allocation to the other counties, and is made to the county providing the fiscal services rather than to any individual. Prior written approval from the Commission's Contract Administrator is obtained;
5. Proper cut-off procedures are observed at the end of each fiscal period. Obligations of the fiscal period under review are not paid from funds of a subsequent fiscal period. Obligations of a subsequent fiscal period are not prepaid from funds of a fiscal period under review. A modified accrual basis of accounting is only used in preparing fourth quarter expenditure reports to the Commission;
6. Refunds and reimbursements are properly accounted for as reductions of expenditures rather than as increases in revenues;
7. In combined adult and juvenile departments, expenditures that benefit both adults and juveniles are pro-rated on an equitable basis. Determination of the method of pro-rating such expenditures is supported by documentation;
8. The grant funds used for residential placement do not exceed the Commission's *Levels of Service* [TJPC-FIS-39-04] in the State Financial Assistance Contract;
9. The grant funds used for residential expenditures are paid for placement of a child in a secure pre-adjudication detention facility, a short-term detention facility, a post-adjudication correctional facility, or a non-secure residential placement facility operated by or under the authority of the Grantee, another governmental entity or a third-party service provider licensed under the laws of the state.
10. Any charges to the grant funds for residential services are reduced by any other sources of funds such as court ordered support payments, social security payments etc., which are to be contributed toward the individual child's placement cost;
11. Travel reimbursements paid with the grant funds are paid according to county policy and do not exceed state travel rates as described below:
 - a. Lodging - \$80.00 / Day
 - b. Meals - \$30.00 / Day
 - c. Mileage - \$0.35 / Mile
12. Travel allowances paid in lieu of mileage reimbursements are supported by documentation that shows reimbursements do not exceed state mileage rates;
13. The grant funds are not expended for juvenile court judges' salaries, juvenile court judges' or juvenile board members' expenses, including travel, juvenile board expenses, court-appointed attorneys, prosecutors or other court expenses;
14. The grant funds are not paid as wages or salaries to children receiving services from the Grantee;
15. The grant funds are not paid for activities associated with lobbying;
16. All employees of the Grantee with access to funds are covered by surety bonds;
17. Expenditures are supported by appropriate written documentation;
18. Idle funds are invested in an account that provides a reasonable interest rate and provides necessary protection of principal. Interest generated as a result of funds deposited from the Commission is credited to the account of the juvenile probation department for the provision of juvenile probation services;

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19. Expenditure of any interest earned on idle funds as well as probation fees are used for the provision of juvenile probation services; and
20. County funding level requirement is met.
- a. The amount of local or county funds expended excluding construction and/or renovation for juvenile services are at least equal to or greater than the amount spent in the 1994 county fiscal year; or
 - b. If the Grantee accepted the Salary Adjustment grant, the amount of local or county funds expended excluding construction and/or renovation for juvenile services are at least equal to or greater than the amount spent in the 2001 county fiscal year.
- H. **Service Providers.** Contracts with private service providers that are funded in whole or in part with grant funds shall adhere to the requirements set forth in the *Private Service Provider Contract Requirements* [TJPC-FIS-32-04].
1. **Selection of Providers.** Selection of service provider contractors shall be fairly and objectively based upon county procurement procedures and guidelines and any applicable state or federal laws or regulations related to service procurement. As an integral part of the service provider selection process, the Grantees shall utilize procedures to assess prospective contractors' strengths, weaknesses and past performance. The Grantee shall use data relating to the performance of private service providers in prior contracts as a factor in selecting providers to receive contracts.
 2. **Required Contract Provisions.** Private service provider contracts paid in whole or part with grant funds shall include the following provisions in the contract between the Grantee and the service provider:
 - a. **Accountability.** Service provider contractors shall be held accountable for delivery of quality services and all contracts shall include clearly defined goals, outputs and measurable outcomes that directly relate to program objectives as required by the Texas Human Resources Code Section 141.050(b);
 - b. **Eligibility to Receive State Funds.** Service provider contractors shall be required to provide certification of eligibility to receive state funds if required by the Texas Family Code Section 231.006. The Commission has provided form *Eligibility to Receive State Funds* [TJPC-FIS-60-04] that may be used;
 - c. **Legal Compliance.** Service provider contractors shall adhere to all applicable state and federal laws and regulations pertinent to the subcontractor's provision of services to the Grantee;
 - d. **Accounting.** The Grantee shall contractually notify service providers when state funds are used to pay for services. Service providers paid from state funds shall be required to account separately for the receipt and expenditure of state funds received from the Grantee. The Grantee shall require clearly specified accounting, reporting and auditing requirements applicable to any state funds paid to the service provider by the Grantee under contract; and
 - e. **Records Retention.** Service provider contractors receiving whole or partial payment with any state grant funds received from the Commission shall retain all applicable records for a minimum of three years or until any pending audits and all questions arising therefrom have been resolved and shall make available for the Commission inspection, all contractual agreements with service provider subcontractors.
 3. **Performance Standards, Evaluations and Oversight.** Service provider contractors shall be monitored at least twice during the fiscal year of this grant for programmatic and financial compliance. The Commission has provided two monitoring tools that may be used *Private Service Provider Contractual Monitoring and Evaluation Report - Residential Services* [TJPC-FIS-33-04] and the *Private Service Provider Contractual Monitoring and Evaluation Report - Non-Residential Services* [TJPC-FIS-34-04]. The purpose of the monitoring is to ensure performance of and compliance with contractual provisions between the Grantee and service provider contractor if required by and in accordance with the *Private Service Provider Contract Requirements* [TJPC-FIS-32-04].

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Latest Revision 09/01/2004, TJPC-FY2005

4. **Sanctions or Penalties.** The Grantee shall contractually impose specific, clearly defined and appropriate sanctions or penalties upon the service provider contractors that do not comply with the provisions of contractual agreements between the Grantee and the service provider contractor if the contractor is paid in whole or in part with state funds.
5. **Termination.** The Grantee shall include contractual provisions that allow termination of a contract with a service provider if the provider fails to achieve the defined goals, outcomes, strategies and outputs set by the Grantee or if the provider fails to comply with any conditions in the contract between the Grantee and the provider.

IX. FINANCIAL REPORTING.**A. Annual Reports.**

1. **Certification of Local Expenditures.** The Commission will on or before January 15, 2005 generate the *Certification of Local Expenditures Report* [TJPC-FIS-41-04] to the Grantee, which shall be completed by the county's Fiscal Officer. The report shall be completed, signed, notarized and returned to the Commission by March 1, 2005.
2. **Final Audit.** The Grantee shall submit an independent financial compliance audit prepared by an independent Certified Public Accountant for the previous state fiscal year 2004. The audit shall follow the General Grant Requirements of Sections VIII (F) and (G) and be submitted no later than March 1, 2005.

B. **Quarterly Reports.** See Individual Grant Requirements.

C. **Monthly Reports.** See Individual Grant Requirements.

D. **Other Periodic Reports.** See Individual Grant Requirements.

X. FINANCIAL MONITORING.**A. Annual Monitoring.**

1. **Budget Review.** The grant funds will not be disbursed until a completed *Annual Budget Application* [TJPC-FIS-01-05] for all applicable grants funded under the State Financial Assistance Contract is received and approved by the Commission. The Commission shall review all budgets for completeness, reasonableness and accuracy. Incorrect budgets may be returned to the Grantee for correction. Projected expenditures will be compared with actual expenditures from prior years and adjustments may be made to current allocations.
2. **Independent Audits.** The Commission staff shall review annual independent audits for adherence to Generally Accepted Auditing Principles and to the Commission's audit instructions. Incomplete or incorrect audits may be returned to the Grantee for correction.

B. Periodic Monitoring.

1. **On-Site Monitoring.** Grantee shall be subject by the Commission or its authorized designee to on-site financial monitoring at any time, but not limited to the discovery of problem areas resulting from financial data reviews, risk assessments, independent audit findings, budget reasonableness reviews and other factors.
2. **Desk Audits.** The Commission or its designee may elect to monitor compliance of financial records and documentation by desk audits. The audit may be supplemented by phone interviews with financial staff in the juvenile probation department, county auditor's office and the county treasurers' office. Findings will result in a performance rating profile report or a Non-Compliance Citation Report (NCCR). Grantee shall ensure its agents will comply with all request for information during the course of a desk audit by the Commission or its authorized designee.
3. **Quarterly Reports.** The Commission shall review all Quarterly Expenditure Reports [TJPC-FIS-02-05] for completeness, reasonableness and may return incorrect reports to departments for correction.

Summary of Grant Requirements