

OFFICE OF INFORMATION TECHNOLOGY
9-1-1 STATE GRANT COMPLIANCE SUPPLEMENT

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GENERAL STATE GRANT REQUIREMENTS

Program Objectives

In July 2004, P.L. 2004, c 48 c3 was enacted, creating the 9-1-1 System and Emergency Response Fee, establishing an ongoing source of funding for the Statewide Enhanced 9-1-1 System. Within the FY-2009 Budget is an Appropriation in the Interdepartmental Accounts entitled Enhanced 9-1-1 County Grants. The Enhanced 9-1-1 County Grants are designed to provide financial aid to Public Safety Answering Points (PSAPs) for the purpose of purchasing, upgrading, maintaining and operating the technology necessary to provide the most reliable and cost effective state-of-the-art emergency telephone reporting system in New Jersey. Distribution of available funds will be determined in accordance with grant criteria jointly developed by the 9-1-1 Commission and the Departments of Treasury, and OIT, the purpose of which will be to create incentives for the regional consolidation of 9-1-1 call services and PSAPs.

At the June 1, 2007 9-1-1 Commission meeting the Consolidation Committee recommended that the model of one PSAP per county plus the urban 15 cities (21 plus 15 model) should be the target, with some exceptions. The committee further recommended in December 2007 that grant funding to achieve this goal should be done in a phased in approach. The committee recommended that criteria for receiving funding in the FY-2008 cycle should begin then process by increasing the PSAP serving population from 19K to the population of the least populated county in New Jersey, currently the Salem County population is 65,346.

Program Procedures

Enhanced 9-1-1 County Grants consist of State Aid broken down into two categories, PSAP Equipment and General Assistance. Residual funds within the Enhanced 9-1-1 Grant program will be utilized for PSAP Consolidation Grants. Annually the 9-1-1 Commission, in consultation with the Office of the Treasurer, will allocate a portion of the Enhanced 9-1-1 County Grant into each of the two categories, based on the availability of funds and the current needs of the State. This process may be modified from time to time.

Compliance Requirements

NJAC: 17:24

Equipment Grant Funds

The intent of the PSAP Equipment Grant is to expedite the implementation of the FCC wireless e-9-1-1 requirements, therefore, approved use of funds will be limited to acquisition of equipment, software and services that are directly related to the receiving, displaying and tracking of wireless 9-1-1 calls.

Examples of Allowable Items for PSAP Equipment Grant Funding

- New 9-1-1 telephone equipment for the exclusive use of the PSAP including Automatic Location Information (ALI) displays or intelligent workstations, ALI controllers.
- Computer Aided Dispatch (CAD) upgrades or replacement including software and hardware that will perform integrated mapping functionality through a CAD interface, utilizing the coordinates received via the ALI database link at each call-taker position.
- Geographic Information System (GIS) enhancements for the purpose of preparing for the implementation of the FCC wireless E9-1-1 requirements.
- Records Management Systems that will provide statistical analysis of wired line and wireless 9-1-1 calls.
- Installation of only the equipment that meets the above intent.

Examples of Non-allowable Items for PSAP Equipment Grant Funding

Any costs listed above that the applicant has recovered in the form of a gift or grant for the purposes of PSAP enhancements.

- Salaries.
- Consultant fees.
- System optimization costs.
- Vehicles
- Radio equipment.
- Mobile data networks.
- PSAP building alterations or construction projects.
- Furniture.

Suggested Audit Procedures for Determining Compliance

1. Review grant application to verify that the funds were expended on what was outlined/requested in the grant application.
2. Review the examples of allowable/non allowable uses of the equipment grant program listed above to insure it conforms to an allowable use of funds for that grant class.
3. Verify that the Eligibility Standards have been met as outlined in Section III Compliance Requirements.
4. Review the grant objectives, as outlined by the customer in the grant application, to verify that they have been met.
5. Review the Project Description as outlined in the grant application to verify features and functions identified are being used.

General Assistance Grant Funds

Allowable/Non-allowable Use of General Assistance Grant Funds

The use of General Assistance Grants funds is limited to,

- Only those expenses directly related to the PSAP's need for maintaining, replacing and purchasing of the equipment and services necessary to sustain the mandated enhanced 9-1-1 system as well as expediting the implementation of the FCC wireless E9-1-1 requirements and implementing security measures as recommended by the 9-1-1 Sector Best Practices.
- General Assistance Grants shall not be used in any way to directly fund or offset any operational salary expenses incurred by a PSAP.
- General Assistance Grant Funds may be used for the purpose of developing, conducting and attending 9-1-1 in-service training approved by the Office of Emergency Telecommunications.
- General Assistance Grant Funds shall not be used for basic certification training.

Suggested Audit Procedures for Determining Compliance

1. Review grant application to verify that the funds were expended on what was outlined/requested in the General Assistance grant application.
2. Review the examples of allowable/non allowable use of the General Assistance grant program that are listed above to verify allowable use of funds for that grant class.
3. Verify that the Eligibility Standards have been met as outlined in Section III Compliance Requirements.
4. Review the Objectives as outlined in the grant application to verify that they have been met.
5. Review the Project Description as outlined in the grant application to verify features and functions identified are being used.

Consolidation Grant Funds

Allowable/Non-allowable Use of PSAP Consolidation Grants

PSAP Consolidation Grants will be derived from residual funds from the Equipment and General Assistance Grants. The State may from time to time elect to fund additional Consolidation Grants directly from the Enhanced 9-1-1 County Grants Program for initiatives that offer exceptional consolidation programs resulting in improved service and a cost savings to the public.

General Assistance and Equipment Grant funds that were unable to be distributed to PSAPs not meeting the minimum PSAP population standard would be made available to PSAPs or counties for purposes of funding PSAP consolidation projects or studies provided the study examines the consolidation of at least 50% of the county population subtracting the population of any urban 15 municipalities or cities from within that county. PSAP Consolidation Grants will be distributed to

county PSAPs prior to regional or municipal PSAP requests.

PSAP consolidation studies that have been completed and propose consolidation of 50% of the population as described above may apply for the funding of the next steps needed to accomplish consolidation. These next steps may include such actions as RFPs, architectural plans, etc.

Suggested Audit Procedures for Determining Compliance

1. Review grant application to verify that the funds were expended on what was outlined/requested in the grant application.
2. Review the examples of allowable/non allowable uses of the grant programs listed in Section III Compliance Requirements to insure it conforms to an allowable use of funds for that grant class.
3. Verify that the Eligibility Standards have been met as outlined in Section III Compliance Requirements.
4. Review the Objectives as outlined in the grant application to verify that they have been met.
5. Review the Project Description as outlined in the grant application to verify features and functions identified are being used.

9-1-1 County Coordinator Grant Funds

17:24-6.4 Funding for County 9-1-1 Coordinator:

- (a) Pursuant to N.J.S.A. 52:17C-13, each county may receive funding, within the limits of any funds appropriated, for the costs incurred by a county for the employment of a county 9-1-1 coordinator in an amount not to exceed \$25,000 per county 9-1-1 coordinator.
- (b) Each county shall submit to OETS a funding application and spending resolution indicating the proposed use of the funds.
- (c) OETS will approve and process the funding application for payment to the county in a lump sum, provided;
 1. The description of the proposed use of funds indicated in the spending resolution is directly related to functions of the County 9-1-1 Coordinator; and
 2. The County 9-1-1 Coordinator has demonstrated compliance with the Provisions of this chapter.

Examples of Allowable Items for the 9-1-1 County Coordinator Grant Funding

- Salary for County 9-1-1 Coordinator
- Training & Seminars
- Public Education
- Office supplies, printing and equipment

Suggested Audit Procedures for Determining Compliance

1. Review the 9-1-1 County Coordinator grant application to verify that the funds are to be expended on allowable items listed above.
2. Verify that the prior year grant award Expenditure Report accounts for all the awarded funding.

Eligibility Standard

For PSAPs to be eligible to receive Enhanced 9-1-1 Grants the PSAP must meet the following criteria:

- The PSAP shall be operated by a county agency, or;
- The PSAP shall serve a population of 65,346 or more, based on the most recent Census Bureau statistics with the serving population specified on the Grant Applicants resolution by the governing body, and;
- The PSAP shall be configured with a minimum of two fully equipped call-taker positions as defined in N.J.A.C. 17:24-2.1, and;
- Maintain a minimum staffing level at the PSAP consisting of two certified call-takers/dispatchers dedicated to PSAP operations the at all times. Such staffing levels must be sufficiently documented to show that the PSAP met this minimum staffing level no less than 95% of the time during the 60-day period prior to the Grant Application date by supplying staffing schedules for that period. Grant recipients may be required validate such staffing levels throughout the grant period, or;
- PSAPs that have been designated as Resort Municipalities in the New Jersey Uniform Crime Report that maintain a minimum staffing level at the PSAP consisting of two certified call-takers/dispatchers dedicated to PSAP operations during those months recognized as peak tourist season will be eligible for those months where the minimum staffing is maintained and funding will be adjusted accordingly. Such staffing levels must be sufficiently documented to show that the PSAP met this minimum staffing level no less than 95% of the time during the previous peak period by supplying staffing schedules for that period prior to the Grant Application date. Grant recipients may be required validate such staffing levels throughout the grant period, and;

Grant Applicants must include specific language in their resolution from the governing body that confirms the condition of grant acceptance is the PSAPs continued ability to maintain a minimum of two certified call-takers/dispatchers dedicated to PSAP operations 100% of the time, or;

Grant Applicants from designated resort municipalities must include specific language in their resolution from the governing body that confirms the condition of grant acceptance is the PSAPs continued ability to maintain two certified call-takers/dispatchers dedicated to PSAP operations 100% of the time during those months recognized as peak tourist season, and;

PSAP staffing shall not utilize regularly scheduled sworn officers as call takers or dispatchers except in instances where the sworn officer is returning to active duty from an injury or other physical disability or other unique situation that precluded that officer from performing law enforcement duties, and;

The PSAP shall have submitted a completed PSAP Survey to the Office of Emergency Telecommunications Services for the most recent fiscal year.

Suggested Audit Procedures for Determining Compliance

1. Review that the applicant met the minimum staffing levels required for eligibility by reviewing PSAP staffing schedules.
2. Review that the applicant met one of the following criteria: county level agency: or the PSAP serves a population greater than 65,346: or is an Urban 15 area.
3. Review that staffing does not include regularly scheduled sworn officers by reviewing PSAP staffing schedules.

Matching

There are no matching requirements with the Enhanced 9-1-1 Grant program.

Level of Effort

Enhanced 9-1-1 Grants are awarded for specific budget cycles and future funding for Enhanced 9-1-1 Grants may or may not be available. Level of effort is not applicable.

Suggested Audit Procedures for Determining Compliance

Not Applicable

Reporting and Bookkeeping Requirements

PSAP Equipment Grant recipients are required for adhere to all applicable State and Federal Laws, OMB Circular Letters pertaining to the auditing and reporting of state aid.

The grantee will be required to meet the State 9-1-1 Commission programmatic and fiscal reporting standards, which include submission to the Office of Emergency Telecommunications Services:

- Detailed Cost Statements/Expenditure Reports during the grant period, and
- The maintenance of a bookkeeping system, records, and separate grant files that clearly identify the expenditure of grant funds.

If deviations in the approved project or grant duration occur during the grant period, the PSAP must request and receive approval from the Office of Emergency Telecommunications Services. The Office of Emergency Telecommunications Services may approve requests provided the requested change continues to meet the intent of the Grant Program and requires no additional funds. Requests not meeting the intent or a request for additional funds will be referred to the 9-1-1 Commission for action.

All expenditures from the Enhanced 9-1-1 County Grant shall be attested to by the Chief Financial Officer of the governing body as being consistent with any Grant Requests and used for the purpose stated in any Grant Application. Any variation will jeopardize future grant awards and the may require the governing entity to forfeit any misused funds.

Suggested Audit Procedures for Determining Compliance

- Verify that Grant progress and expenditure reports, contained in the grant agreement as attachments B & C, have been filed and attested to by the CFO.
- If the grant has been closed out, verify that purchase orders issued match the intended expenditure outlined in the grant application.

Special Tests and Provisions

Not Applicable.

SPECIFIC 9-1-1 GRANT REQUIREMENTS

OMB Circular Letter Stipulations

Circular Letter 07-05-OMB, titled Grant Agreements—Agency Contracts effective September 9, 2006 stipulates a Grant Approval Officer as a Change Control. Section XV Paragraph B of 07-05-OMB states:

Grantee shall request approval in writing, from the Department Grant Approval Officer...when there is reason to believe a revision or modification will be necessary for the following reasons:

1. Changes in the scope, objective, financial assistance, key personnel, timing of the project or program, or deviations from the approved budget.
2. To provide financial assistance to a third party by sub-granting (if authorized by law) or by another means to obtain the services of a third party to perform activities which are central to the purpose of the award.
3. The need for additional funding or to extend the period of availability of funds.
4. Adjustments between cost categories and/or shifts of funding to direct cost categories that are not part of the approved budget.
5. Revisions which involve the transfer of amounts budgeted for indirect costs to absorb increases in direct costs.

For the purpose of this grant, indirect costs are defined as those incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved.

Direct costs are defined as those which can be identified specifically with a particular cost objective. These costs may be charged directly to grants, contracts, or to other programs against which costs are finally lodged.

Circular Letter 07-05-OMB, titled Grant Agreements—Agency Contracts effective September 9, 2006 requires an adequate financial management system. Section VIII Paragraphs A and C of 07-05-OMB state:

- A. The Grantee shall be responsible for maintaining an adequate financial management system and will immediately notify the Department when the Grantee cannot comply with the requirements established in this Section of the grant.
- C. The Department may require the submission of a "Statement of Adequacy of the Accounting System,"...

Circular Letter 04-04-OMB, titled Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid effective January 1, 2004 requires an annual audit requirement as follows:

OMB Circular A-133 was revised (Federal Register June 27, 2003) to raise the audit threshold for all recipients, including state and local governments to \$500,000. The provisions of OMB Circular A-133 Revised are effective for fiscal years ending after December 31, 2003.

Section III states:

The following State policy regarding audits of recipients is effective for fiscal years ending after December 31, 2003:

All State agencies that disburse federal grant, State grant or State aid funds to recipients that expend \$500,000 or more in federal financial assistance or State financial assistance within their fiscal year must require these recipients to have annual single audits or program-specific audits performed in accordance with the Act, Amendments, OMB Circular No. A-133 Revised and State policy. It should be noted that the federal government will not pay for a single audit for any recipient that expends less than \$500,000 of federal funds.

All State agencies that disburse federal grant, State grant or State aid funds to recipients that expend less than \$500,000 in federal or State financial assistance within their fiscal year, but expend \$100,000 or more in State and/or federal financial assistance within their fiscal year, must require these recipients to have either a financial statement audit performed in accordance with Government Auditing Standards (Yellow Book) or a program-specific audit performed in accordance with the Act, Amendments, OMB Circular No. A-133 Revised and State policy.

Program-specific audits in accordance with OMB Circular No. A-133 Revised can be elected when a recipient expends federal or State awards under only one federal or State program and the federal or State program's laws, regulations, or grant agreements do not require a financial statement audit of the grantee. If a State funding department determines that a financial statement audit in accordance with Government Auditing Standards will not provide adequate monitoring for their department's funds, each department has the responsibility to perform other monitoring procedures. Such procedures include on-site visits, reviews of documentation supporting requests for reimbursement, and limited scope audits as outlined in OMB Circular No. A-133 Revised.

State Cognizant Departments should consider various risk factors in developing recipient monitoring procedures, such as the relative size and complexity of federal and State awards administered by recipients, prior experience with each recipient, and the cost-effectiveness of various monitoring procedures.

Although OMB Circular No. A-133 Revised allows certain biennial audits;
State policy continues to require all audits to be performed on an annual basis.