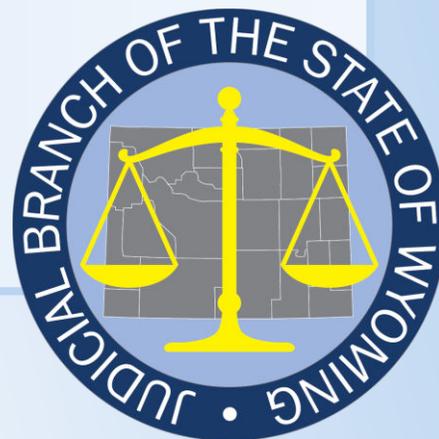


# Guidance on the Use of Wyoming Judicial Branch Funds for Treatment Court Programs



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## **Introduction.**

Wyoming Judicial Branch (WJB) funds must be strictly used for the intended purpose of the grant, meaning they can only be spent on allowable expenses that directly relate to the grant recipient's goals and objectives outlined in the grant application and funding contract. WJB grant recipients shall ensure all purchases are necessary, not duplicative, and provide direct benefit to their program participants and avoid any misuse or waste of WJB funds.

## **Basic Financial Management.**

Basic financial management cost principles define any charges incurred by the Wyoming Judicial Branch (WJB) grant as either allowable or unallowable. **Allowable** costs are charges incurred by the grant recipient that can be reimbursed by the WJB grant. **Unallowable** costs are charges incurred by the grant recipient that cannot be covered by the WJB grant.

Allowable costs are based upon these cost principles and the fundamental premises that:

- (a) The WJB grant recipient is responsible for the efficient and effective administration of the award through sound management practices.
- (b) The WJB grant recipient is responsible for administering these funds in a manner consistent with Wyoming statutes, Rules Governing Court Supervised Treatment Programs, and the terms and conditions of the grant award.
- (c) The WJB grant recipient, in recognition of their unique combination of staff, facilities, and experience, is responsible for employing organization and management techniques necessary to ensure the proper and efficient administration of the grant award.
- (d) The accounting practices of the WJB grant recipient must be consistent with these cost principles and shall include maintaining adequate documentation to support costs charged to the grant award.

## **Factors affecting allowability of costs.**

Except where otherwise authorized by statute, costs must meet the following criteria to be allowable under the grant award:

- (a) Be necessary and reasonable for the proper and efficient performance of the grant award.
- (b) Conform to any limitations or exclusions set forth in these principles or in the grant award as to types or amount of cost items.

(c) Not included as to meet the matching requirements of another State of Wyoming grant unless specifically permitted by law.

(d) Consistent with the grant recipient's policy and procedure manual that apply to the activities of the treatment court program.

(e) Be adequately documented.

### **Reasonable costs.**

A cost is reasonable if it does not exceed an amount that a prudent person would incur under the circumstances prevailing when the decision was made to incur the cost. In determining the reasonableness of a given cost, consideration must be given to the following:

(a) Whether the cost is generally recognized as ordinary and necessary for the grant recipient's operation or the proper and efficient performance of the grant award.

(b) The restraints or requirements imposed by such factors as sound business practices; arm's-length bargaining; Federal, State, local, tribal, and other laws and regulations; and terms and conditions of the grant award.

(c) Market prices for comparable costs for the geographic area.

(d) Whether the person incurring the expense acted with prudence in the circumstances considering their responsibilities to the grant recipient, its employees, team members, management committee members, the public at large, and the State of Wyoming; and

(e) Whether the cost represents a deviation from the grant recipient's established written policies and procedures for incurring costs.

### **Unallowable Costs.**

There are other costs, categorized as **unallowable costs**, that will not be reimbursed. If a cost cannot meet the criteria of reasonableness, allowability, allocability (capable of being distributed), and consistency, it is **unallowable**. WJB grant recipients must not use unallowable costs as a match towards the grant award. Examples of unallowable costs include, but are not limited to;

(a) Certain types of travel.

(b) Personal use of good and services.

(c) Alcoholic beverages.

- (d) Certain entertainment and prize costs.
- (e) Certain advertisement and public relation costs.

### **Travel costs.**

Travel costs include the transportation, lodging, subsistence, and related items incurred by the grant recipient, their employees, team members, or management committee members, who are in travel status on official WJB grant related business. These costs may be charged on an actual cost basis, on federal per diem or mileage basis, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip. The method used must be consistent with those normally allowed in like circumstances in the grant recipient's other activities and in accordance with the grant recipient's established written policies. Commercial air travel shall be coach or an equivalent fare, without upgrades, otherwise the costs will be unallowable. In other words, no first-class airfare or other travel upgrades.

Travel costs of officials covered by this section are allowable when they are specifically related to the grant award.

### **Lodging and subsistence.**

Costs incurred by the grant recipient, their employees, team members, or management committee members for lodging, other subsistence, and incidental expenses, shall be considered reasonable. However, government rates shall be sought for all lodging when available and shall be equivalent to a standard room. In other words, no suites or lodging upgrades.

### **Personal use of goods and services.**

The cost of goods or services personally used by employees are unallowable for charging to WJB grant award. These types of costs are unallowable even if the costs are reported as taxable income to the employee.

Examples of goods or services for personal use include, but are not limited to:

- (a) Charging travel costs for family members of an employee.
- (b) Personal use of office supplies and shipping services.
- (c) Purchasing electronics which are not used in the performance of the WJB award.
- (d) Housing costs (for example, depreciation, maintenance, utilities, furnishings, etc.).

## **Alcoholic Beverages.**

The purchase of alcoholic beverages with WJB grant funds is strictly prohibited and is considered an unallowable cost.

## **Entertainment and Prizes.**

**(a) Entertainment costs.** Costs of entertainment, including amusement, diversion, and social activities and any associated costs (such as gifts), are unallowable unless they have a specific and direct programmatic purpose for the benefit of treatment court participants and are included in the WJB grant application and are noted in the grant recipient's budget.

**(b) Prizes/Incentives.** Costs of prizes/incentives are allowable if they have a specific and direct programmatic purpose, are for the benefit of program participants, are included in the WJB grant application, are noted in the grant recipient's budget and are reasonable.

## **Advertising.**

Advertising costs means the costs of advertising media and corollary administrative costs. Advertising media includes, but is not limited to, magazines, newspapers, radio and television, direct mail, exhibits, and electronic or computer transmittals.

The only allowable advertising costs are those which are solely for:

- (a) The recruitment of personnel required by the grant recipient for the performance of the award.
- (b) The procurement of goods and services for the performance of the grant award.
- (c) Program outreach and other specific purposes necessary to meet the grant award requirements.

## **Public Relations.**

The term "public relations" includes community relations and means those activities dedicated to maintaining the grant recipient's image or maintaining or promoting understanding and favorable relations with the community or public at large.

The only allowable public relations costs are:

- (a) Costs specifically required by the grant award.
- (b) Costs of communicating with the public and press about specific activities or accomplishments which result from the performance of the grant recipient.

(c) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern.

### **Unallowable advertising and public relations costs.**

Unallowable advertising and public relation costs include the following, but are not limited to:

- (a) All advertising and public relations costs other than previously specified.
- (b) Costs of meetings, conventions, conferences, or other events related to other non WJB grant award activities, which include costs of displays, demonstrations, and exhibits, costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events, and salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings.
- (c) Costs of promotional items and memorabilia.
- (d) Costs of advertising and public relations designed solely to promote the grant recipient.

### **Materials and supplies costs.**

Costs incurred for materials and supplies necessary for the performance of the grant award are allowable. Purchased materials and supplies must be charged at their actual prices.

Materials and supplies used for the performance of the grant award may be charged as an allowable cost. Computing devices is an allowable cost for devices that are essential and allocable, but not solely dedicated, to the performance of the grant award.

Prior to purchasing equipment, computing devices, copiers, printers or other electronic devices, or goods with a cost in excess of \$5,000, the grant recipient shall receive approval from the Branch. Recipients shall also discuss disposal options at the end of life of those items.

### **Memberships, subscriptions, and professional activity costs.**

- (a) Costs of the grant recipient's membership in business, technical, and professional organizations are allowable.
- (b) Costs of the grant recipient's subscriptions to business, professional, and technical periodicals are allowable.

(c) Costs of membership in any civic or community organization are unallowable.

(d) Costs of membership in any country club, social club, dining club, or organization are unallowable.

### **Lobbying costs associated with obtaining WJB award assistance.**

WJB funds may not be expended by the grant recipient to pay any person for influencing or attempting to influence an officer or employee of the WJB, a member of the Wyoming Legislature, or an officer or employee of the Executive Branch in connection with the awarding, extension, continuation, renewal, amendment, or modification of any WJB contract or grant.

### **Professional service costs.**

Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill and who are not officers, employees of the grant recipient, team member, or management team committee is generally allowable.

In determining the allowability of costs in a particular case, no single factor or any combination of factors is necessarily determinative. However, the following factors are relevant:

(a) The nature and scope of the service rendered in relation to the service required.

(b) The necessity of contracting for the service, considering the grant recipient's capability in the particular area.

(c) The past pattern of such costs, particularly in the years prior to receiving an WJB grant award(s).

(d) The impact of the award on the grant recipient's program (meaning, what new problems have arisen).

(e) Whether the service can be performed more economically by direct employment rather than contracting.

(f) The qualifications of the individual or entity providing the service and the customary fees charged, especially on non-grant funded activities.

(g) Adequacy of the contractual agreement for the service (for example, description of the service, estimate of the time required, rate of compensation, and termination provisions).

(h) To be allowable, retainer fees must be supported by evidence of bona fide services available or rendered.

(i) To be allowable, any professional service cost shall be the result of an “arm’s length-transaction.” For the purpose of the appropriate use of WJB funds, arm’s-length transaction refers to dealings between two parties, who are not related and not in a confidential relationship, and who are presumed to have roughly equal bargaining power. Additionally, an ‘arm's-length’ transaction must be voluntary (without compulsion or duress), take place on the open market, and the parties are acting in their own self-interest.”

### **Fundraising and investment management costs.**

Costs of organized fundraising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions, are generally unallowable. However, fundraising costs for meeting the grant recipients program goals objectives are allowable with the prior written approval of the WJB.

### **Prior written approval (prior approval).**

The reasonableness and allocability of certain costs under WJB grant awards may be difficult to determine. To avoid subsequent disallowance or dispute based on unreasonableness or non-allocability, the grant recipient is encouraged to seek the prior written approval of the Wyoming Judicial Branch before incurring the cost. The absence of prior written approval on any element of cost will not affect the reasonableness or allocability of that cost unless prior approval is specifically required.

### **Disallowing costs after incurrence.**

Vouchers and invoices must be submitted to the WJB Behavioral Health Coordinator (Coordinator) for review and approval for payment. If the examination of a voucher or invoice raises a question regarding the allowability of a cost submitted, the Coordinator shall:

(a) Hold informal discussions with the grant recipient as appropriate.

(b) If the discussions do not resolve the matter, the Coordinator shall issue written notice advising the grant recipient of the disallowed cost. The notice must advise the grant recipient that it may:

(i) Submit a written claim to the WJB Administrator for payment of the disallowed cost and explain why the cost should be reimbursed; or

(ii) Seek non-WJB grant funds to pay for the expenditure and provide notice to the Coordinator of the entity billed.

## **Financial Audits**

A financial audit is generally defined as a thorough review of a grant recipient's financial records and transactions and is performed by an external entity. Its primary purpose is to verify the accuracy and completeness of the grant recipient's financial statements and ensure compliance with accounting standards and regulations.

Note: In addition to financial audits by external entities, various factors, including routine procedures, discrepancies in financial reports, or random selection, may trigger examinations of financial records by WJB staff.

## **Remedies for Non-Compliance**

**(a) Notification.** If a grantee becomes non-compliant with Wyoming statutes, regulations, or the terms and conditions of their grant award, the WJB will notify the grantee in writing. The WJB may impose additional conditions to help bring the grantee back into compliance.

**(b) Termination.** A WJB grant award can be terminated for not complying with Wyoming statutes, regulations, or the terms and conditions of the grant award. The WJB shall notify the grantee of non-compliance and the grantee shall be provided an opportunity to comply. If the WJB decides it is in their best interest to terminate the grantee's contract, the grantee will be notified in writing of the termination and the grounds for termination.

## **WJB Assistance**

It is the responsibility of the grantee of WJB funds to make sure the funds they receive are spent and managed in compliance with Wyoming statutes, WJB regulations, and the terms and conditions of the grant award. The WJB can provide training, technical assistance, and resources to support WJB grant recipients to successfully manage the financial aspects of their grant award.

## **List of Allowable Expenditures for WJB Invoices**

The following list is designed to provide WJB grant recipients guidance on what expenses can be entered in each cost description on the WJB monthly invoice. All expenditures must accompany and match what is contained in the budget justification document in the grant recipient's grant application. This is not an inclusive list. Questions about expenditures and applicable cost description categories should be directed to the coordinator.

### Administrative

- (a) Salaries – Includes full-time, part-time, temporary employees, overtime, and accrued leave/sick payments, bonuses. All of this must be budgeted for and approved on the submitted financial budget.
- (b) Benefits – Includes medical, dental, retirement, and life insurance policies.
- (c) Taxes and Required Government Contributions – Includes federal employment taxes, social security, Medicare, and Workers' Compensation.
- (d) Printer/Copier Supplies
- (e) Office Supplies
- (f) Postage
- (g) Phone and Cell Phones
- (h) Miscellaneous Expenses – Include coffee/pods/creamer, water bottles/Culligan machines, tissue, and hand sanitizer. All of these products must be available and accessible for treatment court participant use.

### Training Expense

- (a) Travel – Includes airfare, mileage, parking, Uber, and/or taxi expenses. Tips and fees for taxi, Uber, or other ride sharing services are reimbursable up to 20% of the customary fare, rounded up to the nearest cent.
- (b) Conference Registration
- (c) Meals and Incidental Expenses (M&IE) - M&IE includes all meals and tips for services like food servers and luggage handlers. Complimentary meals provided by a hotel/motel do not affect M&IE. However, travelers shall deduct meals furnished by the government or included in a registration fee from their M&IE allowance.
  - Daily M&IE rates will not exceed federal limits.
  - Tips and incidental expenses cannot be claimed separately as they are included in M&IE.
  - M&IE rates will be determined by the destination city (the city in which the claimant obtained lodging).

### Treatment/Supervision

- (a) Treatment – Includes contracted substance use and mental health therapy service, individual counseling, Medicated Assisted Therapies (MAT), and family and couples counseling.
- (b) Electronic Monitoring – Includes the use of GPS/SCRAM, or other electronic monitoring equipment and supervision monitoring apps such as R Connect.

Quality of Life - Quality of life funds must be used to improve health, wellness, and the well-being of treatment court participants. Allowable expenditures include medical care, dental care, costs of GED classes and exams, rental assistance, and public transportation assistance.

Commission on Accreditation of Rehabilitation Facilities (CARF) - Allowable expenditures for CARF expenses include the purchase of manuals, books, or other CARF accreditation materials, preparation for site visits and site surveys.

Drug Testing - Drug testing equipment and supplies shall only be used to drug test or breathalyze actively enrolled treatment court participants. Drug testing supplies and equipment include, but are not limited to:

- (a) Drug Testing supplies (gloves, BA straws)
- (b) Drug Tests and breathalyzers
- (c) Laboratory Confirmations
- (d) Laboratory equipment

### Surcharge/Special Projects

- (a) Use surcharge funding, if awarded and available, to improve outcomes and address the social determinants of health, including transitional housing, gas cards, bicycles, ride share services, mental health medications, phones, phone cards, job training, dental work, rent, and groceries.
- (b) Special Projects as approved by the Wyoming Judicial Branch and indicated on funding application.