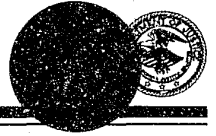


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U.S. Department of Justice  
Office of Justice Programs



Bureau of Justice Statistics

# National Criminal History Improvement Program

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ACQUISITIONS

*Program Announcement*

**NCHIP**



# National Criminal History Improvement Program

## Program Announcement

November 1994, NCJ-151173

151173

U.S. Department of Justice  
National Institute of Justice

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**U.S. Department of Justice**  
Bureau of Justice Statistics

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Director

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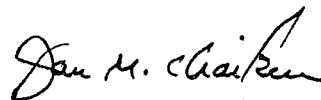
## Foreword

This program announcement demonstrates the Justice Department's continuing commitment to building an accurate and useful national system of criminal records. The Federal Bureau of Investigation began this effort in 1924, with the establishment of its Identification Division which stores fingerprint-based information about both Federal offenders and arrests and dispositions under State laws. The FBI's latest developments related to this system include the Interstate Identification Index, which routes electronic search inquiries from criminal justice agencies nationwide to the appropriate State or Federal database containing the criminal history record.

Later, in 1972, the Bureau of Justice Statistics' predecessor agency began to help States manage and use their criminal history records. By providing grant awards and technical assistance to States under the Criminal History Improvement Program and by sponsoring task forces, research studies, and evaluations, BJS has stimulated the ongoing nationwide effort that is increasing the extent of computerization and completeness of criminal history records. Then, beginning in 1991, the Bureau of Justice Assistance has also been involved in improving criminal history records through its administration of grants to States for criminal justice record systems which are part of the Byrne formula grant program.

The importance of improving criminal history records cannot be overstated. While fingerprint-based "rap" sheets have long been vital for criminal investigations, in recent years criminal history records have been playing increasing roles in identifying serious offenders under various State and federal statutes, for making bail and pretrial release decisions, for sentencing determinations, and for correctional supervision and release decisions. The volume of non-criminal uses has been growing rapidly; these include background checks for licensing, pre-employment screening, and security clearances.

Availability of accurate and complete criminal records is especially critical to the task of identifying persons who are ineligible to purchase firearms. The National Criminal History Improvement Program announced in this booklet will not only strengthen the nation's capabilities to identify felons who attempt to purchase firearms but will also begin the process of building a national system (the National Instant Criminal Background Check system) which will also permit identifying persons other than felons who are ineligible to purchase firearms. At the same time, recent legislation expands the role of criminal history records in protecting children, the elderly, and the disabled from abuse, and the NCHIP program will also help advance these efforts.



Jan M. Chaiken, Ph.D.  
Director, Bureau of Justice Statistics

## Program Announcement

### National Criminal History Improvement Program (NCHIP)

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#### Summary

The Bureau of Justice Statistics (BJS) is publishing this notice to announce the initiation of the National Criminal History Improvement Program (NCHIP) in Fiscal Year 1995. The grant program implements the grant provisions of the Brady Handgun Violence Prevention Act and the National Child Protection Act of 1993, and those provisions of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and Violent Crime Control and Law Enforcement Act of 1994 which pertain to the establishment, maintenance, or use of criminal history records and criminal record systems.

This program announcement describes procedures applicable to awards to be made under the NCHIP program during FY 1995. A program announcement applicable to funding appropriated for years after FY 1995 will reflect comments received during the intervening time. Updated guidelines governing use of Byrne Formula funds pursuant to the 5% set-aside established under Section 509 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, will be issued shortly by the Bureau of Justice Assistance (BJA), in consultation with BJS. The Byrne Guidelines should be considered together with this program announcement in developing a state's program to meet the goals of the Brady Act and the Child Protection Act.

#### Program goals

The goal of the NCHIP grant program is to improve the nation's public safety by:

- facilitating the accurate and timely identification of persons who are ineligible to purchase a firearm;
- ensuring that persons with responsibility for child care, elder care, or care of the disabled do not have disqualifying criminal records; and
- enhancing the quality, completeness and accessibility of the nation's criminal history record systems.

More specifically, NCHIP is designed to assist states:

- to meet timetables for criminal history record completeness and participation in the FBI's Interstate Identification Index (III) established for each state by the Attorney General;
- to improve the level of criminal history record automation, accuracy, completeness and flagging;
- to expand and enhance participation in the FBI's Interstate Identification Index (III) and the National Instant Criminal Background Check System (NICS);
- to develop model procedures for accessing records of persons other than felons (including persons subject to civil restraining orders arising out of domestic or child abuse) who are ineligible to purchase firearms;

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- to identify (through interface with the National Incident-Based Reporting System (NIBRS) where necessary) records of crimes involving use of a handgun and/or abuse of children, elderly or disabled persons; and

- to ensure that states develop the capability to monitor and assess state progress in meeting legislative and programmatic goals.

To ensure that all NCHIP-funded efforts support the development of the national criminal record system, the program will be closely coordinated with the FBI, the Bureau of Justice Assistance (BJA) and the Bureau of Alcohol, Tobacco and Firearms (BATF).

Funding under the NCHIP program is available to both those states which are subject to the 5-day waiting period ("Brady states") and those states which are operating under an alternative system pursuant to approval of BATF ("non-Brady states").

## Legislative background

The NCHIP program is authorized under Section 106 (b) of the Brady Act, which provides that:

The Attorney General, through the Bureau of Justice Statistics, shall, subject to appropriations and with preference to States that as of the date of enactment of this Act have the lowest percent currency of case dispositions in computerized criminal history files, make a grant to each State to be used (A) for the creation of a computerized criminal history record system or improvement of an existing system; (B) to improve accessibility to the national instant criminal background system; and (C) upon establishment of the national system, to assist

the State in the transmittal of criminal records to the national system.

The provisions of 18 USC 922 (g) and (n), as amended by the Violent Crime Control Act of 1994, prohibit the sale of firearms to an individual who —

- (1) is under indictment for, or has been convicted in any court, of a crime punishable by imprisonment for a term exceeding one year;
- (2) is a fugitive from justice;
- (3) is an unlawful user of, or addicted to, any controlled substance;
- (4) has been adjudicated as a mental defective or been committed to a mental institution;
- (5) is an alien who is illegally or unlawfully in the United States;
- (6) was discharged from the Armed Forces under dishonorable conditions;
- (7) has renounced his United States citizenship; or
- (8) is subject to a civil restraining order arising out of domestic or child abuse.

The latter category was added as part of the Violent Crime Control Act of 1994.

The Brady Handgun Violence Prevention Act, enacted in November 1993 and effective in February 1994, requires that licensed firearm dealers request a presale check on all potential handgun purchasers by the chief law enforcement officer in the purchaser's residence community to determine, based on available records, if the individual is legally prohibited from purchase of the firearm under the provisions of 18 USC 922 or state law. The sale may not be completed for 5 days unless the dealer receives an approval before that time. The 5 day waiting period requirement terminates by 1998, at which time presale inquiries for all firearms will be made only to the National Instant Criminal Background Check System (NICS). Section 103 of the Brady Act provides that NICS will supply information on "whether receipt of a firearm . . . would violate

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(18 USC 922) or state law." As noted above, Section 106 (b) of the Brady Act establishes a grant program to assist states in upgrading criminal record systems and in improving access to, and, interface with, the NICS system.

In addition, Section 106 (a) of the Brady Act amended Section 509 (d) of the Omnibus Crime Control and Safe Streets Act to specifically provide that funds from the 5% set-aside under the Byrne Formula grant program may be spent for "the improvement of State record systems and the sharing . . . of records . . . for the purposes of implementing . . . (the Brady Act)."

The National Child Protection Act of 1993, as amended by the Violent Crime Control Act, requires that records of abuse against children be transmitted to the FBI's national record system. The Act also encourages states to adopt legislation requiring background checks on individuals prior to assuming responsibility for care of children, the elderly, or the disabled. Section 4 of the Act establishes a grant program to assist states in upgrading records to meet the requirements of the Act. Under the definition set forth in Section 5 (3) of the Act, "child abuse crimes" include crimes under any law of the state and are not limited to felonies.

Both the Brady and Child Protection Acts required that the Attorney General survey the status of state criminal history records and develop timetables for states to achieve complete and automated records. The survey was conducted during March 1994, and Governors were advised of timetables by the Attorney General in letters of May and June 1994. The letters indicated that compliance with timetable goals assumed availability of grant funds under each Act.

The NCHIP program implements the requirements of the grant programs established under both the Brady and Child Protection Acts.

In addition to the amendments noted above, Section 40602 of the Violent Crime Control Act authorized a program to assist states in entering data on stalking and domestic violence into local, state, and national databases. Although funding was deferred, the Act emphasizes the importance of ensuring that data on convictions for these crimes are included in databases being developed with Federal funds.

## Appropriation

Section 106 (b) of the Brady Act authorized \$200 million for the grant program; the Child Protection Act authorized \$20 million. An appropriation of \$100 million was made to implement Section 106 (b) of the Brady Act for FY 1995, to be available until expended. Of this amount, \$6 million is being made available to the FBI for NICS, \$1 million is available for Federal agency administration, and \$5 million will, consistent with the legislative history, be used to provide technical assistance to states, program coordination, and to undertake a program evaluation. The remaining \$88 million will be made available directly to the states. Of this amount, not less than \$5 million will be allocated to implement the requirement that preference be given to states with the lowest levels of dispositions in automated records. In light of the overlap between Brady and Child Protection Act goals, funds from this appropriation may be used to meet related goals of the Child Protection Act.

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## Program strategy

### General

To achieve the goals of the NCHIP program, at least one grant will be made to each state with funds appropriated under the Brady Act. Technical assistance will also be provided under BJS grant awards to assist states in identifying areas of weakness, auditing record status, long term planning, and developing and implementing technical and administrative programs.

Funds under the Byrne Formula 5% set-aside program will also be available to support the improvement of record systems and to meet the goals of the Brady Act.

The NCHIP program includes three components:

- Core activities,
- Permitted activities in selected states ("extended core activities"), and
- Least-advanced "priority" state activities.

### Core activities

#### *Basic system development*

Core activities focus on establishing and enhancing computerized criminal history (CCH) records and on improving access to and interface between such systems and the national instant criminal background check (NICS) system. The Brady Act does not define the term criminal history record. As defined in 28 CFR part 20, and used in the BJS Criminal History Record Improvement (CHRI) program, however, the term is defined as: "information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, information, or other formal criminal charges, and any dispositions

arising therefrom, sentencing, correctional supervision, and release. . . ."

Specifically, core activities relating to basic system development include efforts to

- improve the quality of criminal history records (with emphasis on automation and disposition capture),
- increase participation in the FBI's Interstate Identification Index (III), and
- upgrade the accessibility of records for pre-sale and preemployment checks (primarily through record flagging).

In addition to the above activities relating to basic system development, core activities include the following:

#### *Non-felony records*

Consistent with the Child Protection Act which defines a "child abuse crime" within the context of "a crime committed under any law of a state," NCHIP core activities include efforts to increase system access to non-felony records, particularly in areas relating to child or domestic abuse or crimes against the elderly or disabled.

#### *Interface with NIBRS*

In order to permit states to identify persons with records involving child, elderly, or disabled abuse, NCHIP core activities include efforts to establish an interface between criminal history record systems and any state data system which is compatible with NIBRS.

#### *Information on stalking and domestic violence*

Consistent with Section 40602 of the Violent Crime Control Act, core activities include development of procedures to ensure that information on convictions relating to stalking and domestic abuse are included in, and accessible through, the criminal history database.



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### *Research, evaluation, monitoring and audit*

In order to maximize the utility of information collected as part of the NCHIP program, core activities include continuing efforts to evaluate, audit, or monitor progress in meeting legislative or program goals through statistical or other related means, and specific research studies relating to use of handguns.

To ensure program continuity and emphasize criminal history record improvement in support of the NICS, the major portion of funds to be expended for core activities should be retained by the agency with responsibility for CCH records (if that is the agency designated to administer the program) or transferred directly to the agency with such responsibility. The application should indicate clearly the level of funds which will be made available to this agency for this purpose. The application should also indicate the level of funds which will be made directly available to the courts where the courts are the appropriate source for data on dispositions or other record data.

### **Permitted activities in selected states ("extended core activities")**

In addition to funding core improvements to criminal history records, BJS will provide a limited amount of NCHIP funds (not to exceed \$5 million in total) to selected states to assist in the identification of persons other than felons who are prohibited from purchasing firearms under 18 USC 922 (g) and (n), as amended. The purpose of this effort will be to support the long-term goal of the permanent system established under Section 102(b) of the Brady Act by enhancing the effectiveness of the NICS.

In addition to previously identified non-computerized criminal history (CCH) categories, the Violent Crime Control Act amended the Brady Act to prohibit firearm

purchase by persons subject to a civil restraining order arising out of domestic or child abuse. Such orders, although not technically criminal, are enforced by the criminal justice system, which depends on the availability of data on such persons for implementation.

Under the NCHIP "extended core" program, funds can be used to evaluate the feasibility of accessing such records and to develop protocols for interfacing with non-CCH systems for purposes of background checks.

BJS will identify those states which are eligible to apply for funds to conduct such activities based on level of CCH development, participation in III, extent of automation and technical development, current efforts to interface with other categories of prohibited firearm purchasers (either within the state or interstate), and experience under the BJS CHRI program. States determined to be eligible will be notified by the end of January 1995. Funds will be in addition to funds provided for core activities, which will be required to be the major focus of the state's NCHIP program.

Selected states which wish to apply for funding under this category should include a separate component in their grant application describing such activities and proposing a budget to cover the proposed efforts. This request may be submitted as a supplement or amendment to the basic application.

States applying for funds under this section should understand that the goal of these efforts is to demonstrate the feasibility of multi-database interface for background check purposes and that the projects are intended to provide guidance to, and serve as models for, future implementation by other jurisdictions. In particular, it is envisioned that the programs developed with NCHIP funds

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will serve as models for these efforts and that additional states will subsequently use Byrne 5% set-aside funds to develop system access to non-CCH data. For this reason, applications for funds under this section should include a description of proposed efforts to evaluate the success of activities undertaken and to prepare materials describing the project for exchange with other states. States should also realize that BJS will be documenting these efforts and that the applicant will be expected to provide input as requested by BJS for these materials.

In light of the importance of these demonstration programs to the overall BJS NCHIP program, BJS will provide additional technical assistance to the selected states to ensure that, together, the activities being funded will advance the development of the NICS at both the state and Federal level.

#### **Least-advanced priority state activities ("priority state activities")**

Section 106(b) of the Brady Act requires that BJS give "preference to States that, as of the date of enactment . . . have the lowest currency of case dispositions in computerized criminal history files . . . ." To implement this requirement, at least \$5 million will be allocated to states in this category. Designated states will also be eligible for priority technical assistance at no cost. The determination of states qualifying under this special provision will be made after release of the 1993 Survey of State CHRI Systems. States will be notified by December 31, 1994. States designated under this category may only use NCHIP funds to support the basic system development components of the core funding activity.

## **Application and award process**

### **Eligibility requirements**

#### **Designation of agency to administer NCHIP program**

To participate in NCHIP, each state must designate an agency to submit an application and to administer the program. The agency should be the agency with primary responsibility for implementing the major activity to be funded with NCHIP funds or a parent agency with programmatic oversight over, and legislative authority to transfer funds to, such agency. Since the NCHIP program focuses on improvement of criminal records and interface with the NICS, BJS anticipates that, in a large number of cases, the NCHIP agency will have responsibility for maintenance of criminal records and liaison with the FBI and/or other record sources including NIBRS, if existing. As noted below, NCHIP procedures envision that strong state coordination will exist between the NCHIP and Byrne 5% set-aside programs to avoid overlap and maximize funding effectiveness. It is not necessary that the NCHIP agency be the same as the agency with administrative authority over Byrne 5% set-aside funds. The application should indicate the basis for the selection of the NCHIP agency, justified in terms of the organizational posture of the selected agency and its role in meeting the goals of the Brady and Child Protection Acts.

Only one application will be accepted from each state for any period of funding. It is the responsibility of the Governor to select the applicant agency. A state may, however, choose to submit its application as part of a multi-state consortium or other entity. In such case, the application should include a statement of commitment from each state and be signed by an individual designated by the Governor of each participating state. The ap-

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plication should also indicate specific responsibilities, and include a separate budget for, each state. States may receive successive awards over time, assuming availability of funds.

### **Program narrative**

In addition to the requirements set forth in *Appendix A*, the NCHIP application should include the following four parts:

#### *Part I. Background*

This part should include a discussion of current and previous efforts relating to criminal history record improvement funded under the BJS CHR program, the BJA Byrne 5% set-aside or with state funds over the past 3 years. The discussion should specify the amount of funds received under the BJS and Byrne programs and the funds remaining at the time of application. The section should also describe accomplishments with previous funding and the relationship to proposed NCHIP activities. A copy of the State plan and the most current update on the use of Byrne 5% set-aside funds, as submitted to BJA, should be appended, along with a copy of any other long term state plans for criminal history record improvement.

#### *Part II. Identification of needs*

This part should discuss audit or other evaluative efforts undertaken to identify the key areas of weakness in the state's criminal record system and in its ability to identify ineligible firearm purchasers or persons ineligible to hold positions involving children, the elderly, or the disabled. Specific reference should be made to relevant studies and to the findings of any internal or external independent audits which have been completed in the past 5 years.

#### *Part III. NCHIP effort*

This part should describe the activities to be undertaken with NCHIP funds over the coming 36 month period. Specifically, each application should indicate the core activities to be undertaken to improve its criminal history system, to initiate or enhance participation in III, to support the state's interface with the NICS, and to meet the timetable established by the Attorney General. The section should also discuss proposed efforts, if any, to identify particular offender types (either through interface with NIBRS or other means); and to ensure that criminal records pertaining to stalking or domestic abuse are included in criminal record databases. Discussions of proposed efforts to upgrade record completeness should indicate whether, and how, the courts or other record providers have been involved in preparation of the application and how funds will be made available to such entities.

Part III of the application should also describe the efforts to be supported to monitor state compliance with legislative or programmatic goals through ongoing audits or other means such as statistical analysis, comparison between CCH records and NIBRS or UCR data. Studies relating to handgun use or sales approval, if proposed, should be described in this section. The application should include evidence that, where appropriate, the state Statistical Analysis Center was consulted in connection with the development of such projects.

BJS is currently supporting the Firearm Inquiry STatistical ("FIST") program to develop national level data on Brady implementation. BJS will advise states by the end of December 1994 of the scope of this project. In support of the basic elements of this project, however, the application should describe

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procedures to collect data on the number of Brady inquiries, "hits," and captures (including the total number of queries against databases other than the criminal history record). The application should also indicate procedures for collection of data on the number of background checks on persons seeking positions involving children, the elderly, or the disabled and the number of records with action in the past 5 years which are complete and automated. States receiving NCHIP funds will be required to participate in the FIST effort and to submit other information for evaluation programs instituted under the NCHIP program.

Permitted activities in selected states ("extended core activities"): States selected to apply for "extended core" funds, may apply for additional funds to develop, and/or implement procedures to access information on persons other than felons/fugitives who are Federally prohibited from purchasing a firearm. In addition to describing proposed activities, interested states should justify their request for such funding in terms of current CCH development and participation in III, and describe state procedures, if any, for interface between the criminal record system and other relevant databases. (See "allowable costs" for covered expenses in this area.)

In order to permit assessment of state progress in meeting grant goals, *Part III* of all applications should set forth measurable benchmarks or goals for each proposed activity.

#### *Part IV. Relationship to Byrne 5% set-aside program*

This Part should describe activity to be undertaken with Byrne 5% set-aside funds during FY 1995 and 1996. A key part of this submission is a description of the relationship between these activities and the activities to be

supported under the NCHIP program. Where the state has previously submitted a 1995 update to BJA, a copy of the submission should be included in this Part to meet this requirement. Alternatively, a copy of the material developed for this Part, may be submitted to BJA as the state's 1995 update, consistent with any other requirements as set forth in the Byrne 5% set-aside Guidelines to be issued. In the latter case, the state should have this section prepared by the agency with responsibility for administering the Byrne funds, rather than the agency designated to administer the NCHIP program. The relationship between the Byrne 5% set-aside and the NCHIP program is discussed more fully below.

#### **Coordination between NCHIP and the Byrne 5% set-aside program**

The Bureau of Justice Statistics and the Bureau of Justice Assistance have jointly agreed that close and continuing coordination between the NCHIP and Byrne 5% set-aside program is critical to meeting the goals of the Brady Act and the National Child Protection Act of 1993. Such coordinated efforts are also necessary to ensure the development of an effective interstate criminal history record system to meet the needs of law enforcement, the criminal justice community and the increasing number of non-criminal justice users of criminal history record information. To achieve this goal, BJS and BJA will, consistent with the legislative requirements, work together to prepare Guidelines governing use of the Byrne 5% set-aside funds. The Guidelines are expected to be finalized by the end of December 1994.

BJS expects that program plans for projects to be funded under NCHIP and the Byrne 5% set-aside will be coordinated by the state agencies responsible for these programs. Where costs of a proposed activity exceed

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NCHIP available funds or are unallowable under NCHIP, the state might, for example, use Byrne funds to fill remaining needs. This joint effort, we believe, will maximize the effectiveness of both of these programs.

#### **Award period**

The application should cover a 3-year period with specific information provided primarily for the first year. The budget should provide details for first-year expenses and should contain data in required categories for years two and three if applicable (see *Appendix A, Application content*). The application should identify those agencies to receive direct funding and indicate the fiscal arrangements to accomplish fund transfer.

#### **Application submission and due dates**

The goal of the NCHIP program is to ensure that all states receive funding support. Absent special circumstances, applications should be received by July 1, 1995, to be eligible for FY 1995 funding. Applications may be submitted at any time after publication of this announcement and will be reviewed as received. Based on applications received by January 31, 1995, up to \$25 million of funds available for core activities will be awarded by April 15, 1995. This does not include additional awards which may be made from set-asides for "priority" states or states undertaking "extended core" activities. Initial awards may be for partial funding for some states. Partially funded applications will be reconsidered for additional funding at a later date. Since approval of funding under the NCHIP program will be based on proposed activities and the overall availability of appropriations, states submitting applications after the January 31 deadline will not be disadvantaged in overall level of award.

If a state which is eligible to apply for "priority state" funding or funding for "extended core activities" has already submitted its application for core activity, the application for additional funds can be submitted as an amendment or a supplement to the original application.

#### **Allocation of funds**

To implement the "preference" requirement of the Brady Act, not less than \$5 million will be allocated to provide supplemental funding for the least-advanced "priority" states: \$5 million will be set aside to cover the cost of "extended core" activities in the states receiving an award to undertake such projects. \$5 million will also be used to cover costs of technical assistance, evaluation and coordination. The remainder of available funds will be allocated to cover the cost of core activities.

States may receive funding from the core allocation as well as either the fund for "priority" states or the fund established for "extended core" activity. Including both core funding and supplemental awards from the set-asides, the least advanced "priority" states will receive an aggregate of at least \$10 million.

#### **Review criteria**

States should understand that full funding may not be possible for all proposed activities. Allocation of funds will be based on the amount requested and the following factors:

(1) the legislatively mandated "preference to states which . . . have the lowest percent currency of dispositions in computerized criminal history files" as of 1993;

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(2) the extent to which the proposed activities will enable the state to meet the timetables established for the state by the Attorney General;

(3) the extent to which improvements in the state system, by virtue of record numbers, levels of technical development, or operating procedures, will have a major impact on availability of records throughout the national system;

(4) the proposed use or enhancement of innovative procedures which may be of value to other jurisdictions;

(5) the technical feasibility of the proposal and the extent to which the proposal appears reasonable in light of the state's current level of system development and statutory framework;

(6) prior activity of the state with funds under the Byrne and CHRI programs;

(7) state commitment to the national record system as evidenced by membership in III, and participation in the FBI's National Fingerprint File (NFF), Felon Identification in Firearms Sales (FIFS) programs, etc., and the current status of development of its CCH;

(8) reasonableness of the budget;

(9) evidence of state progress in meeting record improvement and background check goals as measured in terms of audits, and data collection relating to presale firearm checks and background checks on persons seeking positions involving children, the aged and the disabled;

(10) nature of the proposed expenditures;

(11) the extent to which the plan reflects constructive interface between relevant components of the state organization and/or multi state systems; and

(12) the reasonableness of the relationship between the proposed activities and the current status of the state system, in terms of technical development, legislation, current fiscal demands, and future operating costs.

The program does not require either "hard" (cash) or "soft" (in-kind) match. Indications of state support, however, may be interpreted as expressions of commitment by the state to the program.

All applicants must agree to participate in evaluations sponsored by the federal government. Applicants must also agree to provide data relating to Brady Act activity to the Firearm Inquiry Statistics (FIST) program in the format designated by the FIST program.

### **Allowable costs**

To the extent possible, awards will be made to cover all allowable costs. States receiving funds from the allocation for "priority" states, however, will be required to limit expenditures to purposes directly related to establishment of the basic elements of the criminal history record system and steps necessary to permit participation in III. Among the remaining states, use of funds for non-CCH purposes will be approved only to the extent that the state is making progress toward the improvement of the criminal history record system and interface with the III.

Allowable expenses are detailed below. All expenses are allowable only to the extent that they directly relate to programs described in the application's program narrative.

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## Core activities

**(1) Participation in the Interstate Identification Index (III):** This is a key goal, and costs should be related to achieving full participation. Covered costs include, but are not limited to, costs associated with automation of the database (see limitations in (4) below), synchronization of records between state and FBI, and development of necessary software and hardware enabling electronic access on an intrastate or interstate basis.

**(2) Database enhancement:** Improving the quality, completeness and accuracy of criminal history records is a key goal of the NCHIP effort. Allowable costs include the costs associated with implementing improved record capture procedures, establishing more effective accuracy controls, and ensuring that records of all criminal events that start with an arrest or indictment are included in the database. In addition to felony records, limited funds may be used to capture data on serious misdemeanors, and to ensure that data on persons convicted of stalking and/or domestic abuse are included in the database. Use of funds for capture of data on misdemeanors and persons convicted of stalking will only be approved where the state has, or is actively undertaking efforts to upgrade, the basic elements of the criminal history record system.

**(3) Improved disposition capture:** Automated interface between the criminal history repository and the courts, prosecutors, and/or corrections agencies is encouraged. Funds provided to courts or prosecutors for these purposes are allowable only to the extent that the function to be supported is related to the capture of disposition or other data relating to the offender record (for example, full costs associated with establishment of court MIS

systems are not allowable under the NCHIP program).

**(4) Record automation:** These are allowable costs only with respect to records where the subject has been arrested, indicted, convicted, or released from confinement within 5 years of the date of automation. As appropriate, allowable costs also include costs associated with system design in states with non-automated systems or in states proposing to enhance system operation to include access to non-CCH databases.

**(5) Flagging of records:** This is an important activity. Allowable costs include costs of flagging, or algorithms used for flagging, felony records and records of persons with convictions for crimes involving children, the elderly and/or the disabled. Costs may include the cost of technical record flagging as well as the costs associated with identification of records to be flagged (see (7) below regarding interface with NIBRS).

**(6) AFIS/livescan:** Automated Fingerprint Identification System (AFIS)/livescan equipment for local law enforcement agencies is allowable to improve the level of arrest and disposition reporting, but only where —

- (1) the state repository system is automated, participating or looking toward participation in III, and has in place the technical capability to accept AFIS transmissions, and
- (2) sufficient traffic can be demonstrated to justify the cost, possibly through the use of regional systems.

AFIS/livescan in squad cars is not allowable since field inquiries are not a factor in checks under either the Brady Act or the Child Protection Act. Additionally, since data are not generally input to the system by the field unit, AFIS in the squad car would not support record improvement or completeness.

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AFIS/livescan for use in courts is allowable to support record completeness. The same conditions regarding repository capability and levels of traffic are also applicable to costs in this category.

Costs associated with AFIS/livescan communication from the repository to the FBI national system (IAFIS) are allowable but only where the state can demonstrate adequate levels of record completeness (both arrest and disposition) and current membership in III.

States should understand that Byrne 5% set-aside funds are available for AFIS/livescan, and that, accordingly, use of NCHIP funds for AFIS or livescan will only be allowable when justified as appropriate given the overall status of the state system, its participation in the national system and its planned use of Byrne 5% set-aside funds. This is particularly relevant as respects state proposals to use NCHIP funds to cover costs of local livescan equipment.

**(7) Interface with NIBRS:** Funds may be used to interface with any state data system which is compatible with NIBRS for purposes of identifying persons convicted of crimes against children, the elderly, or the disabled, and/or identification of records involving firearm crimes for operational or research purposes. NCHIP funds are not available, however, to develop the NIBRS database.

**(8) Research, evaluation, monitoring and audits:** Costs associated with research or evaluation efforts are allowable to the extent that they are directly associated with a project approved in the application. Costs associated with monitoring state compliance with legislative or programmatic goals, through ongoing or periodic audits or other procedures, are allowable and encouraged. The purchase of equipment such as modems and the necessary communications and data software for

storing and transmitting evaluative data between states and to BJS or other designated federal agencies is an allowable expense.

**(9) Conversion of juvenile records to the adult system:** The Attorney General has recently amended Federal Regulations to allow the FBI to accept juvenile records if submitted by the state or local arresting agency. Expenditures to interface juvenile and adult records are allowable if consistent with relevant state law and undertaken to further the goals of the NCHIP program.

**(10) Missing dispositions backlog reduction:** These costs are allowable to improve the level of disposition reporting but only where limited to records with arrests within the past 5 years. States must also propose a strategy to prevent future backlogs from developing.

**(11) Equipment upgrades:** Upgrade costs are allowable where related to improving availability of data and where appropriate given the level of data completeness, participation in III, etc. Replacement costs will be considered but states are encouraged to contribute some portion of the total costs.

**(12) Training, participation in seminars and meetings:** Limited funds may be used to cover costs of training and participation in state, regional, or national seminars or conferences (including travel, where necessary).

**(13) Expenditures related to presale handgun background checks:** Funds are allowable to cover costs incurred by a governmental agency for equipment or development of capability required to conduct presale background checks. This "governmental agency" limitation may be waived in a very limited number of cases where the state has implemented a functioning background check system and can demonstrate that the vast



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preponderance of inquiries are made by a limited number of dealers, that technical and procedural safeguards have been established to protect the privacy of potential purchasers, and that the equipment to be provided to dealers would be of use for operation under the permanent system. Waivers will only be considered in states which are participants in III and which have achieved high levels of automation and record completeness. NCHIP funds may not be used to cover costs of conducting presale background checks.

#### **"Extended core" expenditures**

**Interface with non-CCH databases:** Costs associated with developing access to, and interface between, databases on persons other than felons who are ineligible to purchase a firearm are allowed. Such costs include, but are not limited to, costs of investigating the existence and completeness of other databases, identifying problems in accessing and interfacing with such databases, and developing and implementing protocols for accessing these categories of data, and, where appropriate, incorporating such data into criminal history record data systems. Costs of documenting these projects and presenting results thereof are also allowable. Costs in this category are allowable only for those selected states that receive a grant to conduct "extended core" activities.

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**Appendix A**  
**Application and administrative**  
**requirements**

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## Application and administrative requirements

### Application content

All applicants must submit:

- Standard Form 424, Application for Federal Assistance Standard Form 424A, Budget Information
- OJP Form 4000/3 (Rev. 1-93), Program Narrative and Assurances
- OJP Form 4061/6 Certifications
- OJP Form 7120/1 (Rev. 1-93), Accounting System and Financial Capability Questionnaire (to be submitted by applicants who have not previously received Federal funds).

Copies of these forms are provided in Appendix B.

Applicants are requested to submit an original and two copies of the application and certifications to the following address:

**Application Coordinator**  
**Bureau of Justice Statistics**  
**633 Indiana Avenue, NW**  
**Washington, DC 20531**  
**Phone: (202) 616-3500**

**Standard Form 424 (SF-424).** The SF-424, a one page sheet with 18 items, serves as a cover sheet for the entire application. This form is required for every application for Federal assistance. **No application can be accepted without a completed, signed original SF-424.** Directions to complete each item are included on the back of the form.

**Standard Form 424A (SF-424A).** All applications must include SF-424A, Budget Information for all years of project activity. Applicants should ensure that all appropriate

columns and rows balance. Directions to complete this form are found on page 3 of SF-424A.

**Detailed budget.** Applicants must provide a detailed justification for all costs during year one and for any additional project years, as appropriate, including the basis for computation of these costs. For example, the detailed budget would include the salaries of staff involved in the project and the portion of those salaries to be paid from the award; fringe benefits paid to each staff person; travel costs related to the project; equipment to be purchased with the award funds; and supplies required to complete the project.

**Budget narrative.** The budget narrative closely follows the content of the detailed budget. The narrative should relate the items budgeted to project activities and allowable cost categories and should provide a justification and explanation for the budgeted items including the criteria and data used to arrive at the estimates for each budget category. Please note applications that include noncompetitive contracts for the provision of specific services must contain a sole source justification for any procurement in excess of \$25,000.

The budget narrative should indicate amounts to be made available to agencies identified in the program strategy (e.g., the agency with responsibility for CCH, the courts, local agencies).

**Program narrative.** All applications must include a program narrative which fully describes the expected design and implementation of the proposed program. In developing the narrative, refer to the program design (permitted core and noncore activities) as described in the program announcement. OJP Form 4000/3 (Rev. 1-93) provides

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additional detailed instructions for preparing the program narrative.

The narrative should include a timeline of activities indicating, for each proposed activity, the projected duration of the activity, expected completion date, and any products expected.

The application should include an explanation of the placement of the applicant agency within the State organization structure; a description of the roles and responsibilities of key organizational and/or functional components involved in project activities; and a list of key personnel responsible for managing and implementing the major elements of the program.

**Assurances.** OJP Form 4000/3 (Rev 1-93) must be included in the application submission. If submitting this form separate from the SF-424, the applicant must sign and date the form to certify compliance with the Federal statutes, regulations, and requirements as cited.

**Certification regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace.**

Applicants should refer to the regulations cited in OJP Form, 4061/6 to determine the certification to which they are required to attest. A copy of OJP Form 4061/6 is provided in the Appendix B. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying," and 28 CFR Part 67, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the U.S.

Department of Justice determines to award the covered transaction, grant, or cooperative agreement.

**Financial and administrative requirements**

Discretionary grants are governed by the provisions of OMB Circulars applicable to financial assistance. The circulars, with additional information and guidance, are contained in the "Financial and Administrative Guide for Grants," Office of Justice Programs, Guideline Manual, M7100, available from the Office of Justice Programs. This guideline manual, provided upon request, is intended to assist grantees in the administration of funds and includes information on allowable costs, methods of payment, Federal rights of access to records, audit requirements, accounting systems, and financial records.

Complete and accurate information is required relative to the application, expenditure of funds, and program performance. The consequences of failure to comply with program guidelines and requirements will be determined at the discretion of the Department.

**Civil rights obligations**

All applicants for Federal financial assistance must sign Certified Assurances that they are in compliance with the Federal laws and regulations which prohibit discrimination in any program or activity that receives such Federal funds. Section 809(c), Omnibus Crime Control & Safe Streets Act of 1968, 42 U.S.C. 3789d, provides that:

No person in any State shall on the ground of race, color, religion, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, or denied employment in connection with any program or activity funded in

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whole or in part with funds made available under this title.

Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans With Disabilities Act prohibit discrimination on the basis of disability.

The applicant agency must discuss how it will ensure nondiscriminatory practices as they relate to:

- (1) Delivery of services or benefits — to ensure that individuals will not be denied access to services or benefits under the program or activity on the basis of race, color, religion, national origin, gender, age, or disability;
- (2) Employment practices — to ensure that its personnel in the program or activity are selected for employment without regard to race, color, religion, national origin, gender, age, or disability; and
- (3) Program participation — to ensure members of any planning, steering or advisory board, which is an integral part of the program or activity, are not excluded from participation on the basis of race, color, religion, national origin, gender, age or disability; and to encourage the selection of such members who are reflective of the diversity in the community to be served.

#### **Audit requirement**

In October 1984, Congress passed the Single Audit Act of 1984. On April 12, 1985, the Office of Management and Budget issued Circular A-128, "Audits of State and Local Governments" which establishes regulations to implement the Act. OMB Circular A-128, "Audits of State and Local Governments," outlines the requirements for organizational audits which apply to BJS grantees.

#### **Disclosure of Federal participation**

Section 8136 of the Department of Defense Appropriations Act (Stevens Amendment), enacted in October 1988, requires that, "when issuing statements, press releases for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program."

#### **Intergovernmental review of Federal programs**

Federal Executive Order 12372, "Intergovernmental Review of Federal Programs," allows States to establish a process for reviewing Federal programs in the State, to choose which programs they wish to review, to conduct such reviews, and to make their views known to the funding Federal agency through a State "single point of contact."

If the State has established a "single point of contact," and if the State has selected this program to be included in its review process, the applicant must send a copy of its letter or application to the State "single point of contact" at the same time that it is submitted to BJS. The letter or application submitted to BJS must indicate that this has been done. The State must complete its review within 60 days. The review period will begin on the date that the letter or application is officially received by BJS. If BJS does not receive comments from the State's "single point of contact" by the end of the review period, this will be interpreted as a "no comment" response.

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If the State has not established a "single point of contact," or if it has not selected the BJS statistics development or criminal history improvement programs in its review process, this must be stated in the letter or application.

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**Appendix B**  
**Application forms**





## INSTRUCTIONS FOR THE SF 424

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

- | Item: | Entry:   | Item: | Entry:   |
|-------|--|-------|--|
| 1.    | Self-explanatory.  | 12.   | List only the largest political entities affected (e.g., State, counties, cities).   |
| 2.    | Date application submitted to Federal agency (or State if applicable) & applicant's control number (if applicable).  | 13.   | Self-explanatory.  |
| 3.    | State use only (if applicable).  | 14.   | List the applicant's Congressional District and any District(s) affected by the program or project.  |
| 4.    | If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.  | 15.   | Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate <u>only</u> the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15. |
| 5.    | Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.   | 16.   | Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.  |
| 6.    | Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.  | 17.   | This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.  |
| 7.    | Enter the appropriate letter in the space provided.  | 18.   | To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)  |
| 8.    | Check appropriate box and enter appropriate letter(s) in the space(s) provided:<br>— "New" means a new assistance award.<br>— "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date.<br>— "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. |       |  |
| 9.    | Name of Federal agency from which assistance is being requested with this application.   |       |  |
| 10.   | Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.  |       |  |
| 11.   | Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.  |       |  |

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
<b>5. TOTALS</b>		\$	\$	\$	\$	\$

**SECTION B - BUDGET CATEGORIES**

6 Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a - 6h)					
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$
<b>7. Program Income</b>	\$	\$	\$	\$	\$

**SECTION C - NON-FEDERAL RESOURCES**

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	\$	\$	\$	\$
9.				
10.				
11.				
12. TOTALS (sum of lines 8 and 11)	\$	\$	\$	\$

**SECTION D - FORECASTED CASH NEEDS**

13. Federal	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	\$	\$	\$	\$	\$
14. NonFederal					
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

**SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT**

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
20. TOTALS (sum of lines 16 -19)	\$	\$	\$	\$

**SECTION F - OTHER BUDGET INFORMATION**

(Attach additional Sheets if Necessary)

21. Direct Charges:	22. Indirect Charges:
23. Remarks	

## INSTRUCTIONS FOR THE SF-424A

### General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

### Section A. Budget Summary Lines 1-4, Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in *Column (a)* and the respective catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

### Lines 1-4, Columns (c) through (g.)

For *new applications*, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

### Lines 1-4, Columns (c) through (g.) (continued)

For *continuing grant program applications*, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For *supplemental grants and changes* to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 — Show the totals for all columns used.

### Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Lines 6a-i — Show the totals of Lines 6a to 6h in each column.

Line 6j — Show the amount of indirect cost.

Line 6k — Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

## INSTRUCTIONS FOR THE SF-424A (continued)

**Line 7** - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the federal grantor agency in determining the total amount of the grant.

### Section C. Non-Federal-Resources

**Lines 8-11** - Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

**Column (a)** - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

**Column (b)** - Enter the contribution to be made by the applicant.

**Column (c)** - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

**Column (d)** - Enter the amount of cash and in-kind contributions to be made from all other sources.

**Column (e)** - Enter totals of Columns (b), (c), and (d).

**Line 12** - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

### Section D. Forecasted Cash Needs

**Line 13** - Enter the amount of cash needed by quarter from the grantor agency during the first year.

**Line 14** - Enter the amount of cash from all other sources needed by quarter during the first year.

**Line 15** - Enter the totals of amounts on Lines 13 and 14.

### Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

**Lines 16 - 19** - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

**Line 20** - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

### Section F. Other Budget Information

**Line 21** - Use this space to explain amounts for individual direct object-class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

**Line 22** - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

**Line 23** - Provide any other explanations or comments deemed necessary.

## SPECIAL INSTRUCTIONS

Applicants must provide on a separate sheet a budget narrative which will detail by budget category, the Federal and non-Federal (in-kind and cash) share. The grantee cash contribution should be identified as to its source, i.e., funds appropriated by a State or local government or donation from a private source. The narrative should relate the items budgeted to project activities and should provide a justification and explanation for the budgeted items including the criteria and data used to arrive at the estimates for each budget category.

## INSTRUCTIONS

### PROGRAM NARRATIVE

Prepare the program narrative statement in accordance with the following instructions for all new grant programs. Requests for continuation or refunding and changes on an approved project should respond to item 5b only. Requests for supplemental assistance should respond to question 5c only.

#### 1. OBJECTIVES AND NEED FOR THIS ASSISTANCE.

Pinpoint any relevant physical, economic, social, financial, institutional, or other problems requiring a solution. Demonstrate the need for assistance and state the principal and subordinate objectives of the project. Supporting documentation or other testimonies from concerned interests other than the applicant may be used. Any relevant data based on planning studies should be included or footnoted.

#### 2. RESULTS OR BENEFITS EXPECTED.

Identify results and benefits to be derived. For example, when applying for a grant to establish a neighborhood health center provide a description of who will occupy the facility, how the facility will be used, and how the facility will benefit the general public.

#### 3. APPROACH.

- a. Outline a plan of action pertaining to the scope and detail of how the proposed work will be accomplished for each grant program, function or activity, provided in the budget. Cite factors which might accelerate or decelerate the work and your reason for taking this approach as opposed to others. Describe any unusual features of the project such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvement.
- b. Provide for each grant program, function or activity, quantitative monthly or quarterly projections of the accomplishments to be achieved in such terms as the number of jobs created; the number of people served; and the number of patients treated. When accomplishments cannot be quantified by activity or function, list them in chronological order to

show the schedule of accomplishments and their target dates.

- c. Identify the kinds of data to be collected and maintained and discuss the criteria to be used to evaluate the results and successes of the project. Explain the methodology that will be used to determine if the needs identified and discussed are being met and if the results and benefits identified in item 2 are being achieved.
- d. List organizations, cooperators, consultants, or other key individuals who will work on the project along with a short description of the nature of their effort or contribution.

#### 4. GEOGRAPHIC LOCATION.

Give a precise location of the project or area to be served by the proposed project. Maps or other graphic aids may be attached.

#### 5. IF APPLICABLE, PROVIDE THE FOLLOWING INFORMATION:

- a. For research or demonstration assistance requests, present a biographical sketch of the program director with the following information; name, address, phone number, background, and other qualifying experience for the project. Also, list the name, training and background for other key personnel engaged in the project.
- b. Discuss accomplishments to date and list in chronological order a schedule of accomplishments, progress or milestones anticipated with the new funding request. If there have been significant changes in the project objectives, location approach, or time delays, explain and justify. For other requests for changes or amendments, explain the reason for the change(s). If the scope or objectives have changed or an extension of time is necessary, explain the circumstances and justify. If the total budget items have changed more than the prescribed limits contained in the Uniform Administrative Requirements for Grants and Cooperative Agreements - 28 CFR, part 66, Common Rule (or Attachment J to OMB Circular A-110, as applicable), explain and justify the change and its effect on the project.
- c. For supplemental assistance requests, explain the reason for the request and justify the need for additional funding.

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Public reporting burden for this collection of information is estimated to average 26 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspects of this collection of information, including suggestions for reducing this burden, to the Comptroller, Office of Justice Programs, U.S. Department of Justice, 633 Indiana Avenue, NW., Washington, D.C. 20531; and to the Public Use Reports Project, 1121-0140, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

## ASSURANCES

The Applicant hereby assures and certifies compliance with all Federal statutes, regulations, policies, guidelines and requirements, including OMB Circulars No. A-21, A-110, A-122, A-128, A-87; E.O. 12372 and Uniform Administrative Requirements for Grants and Cooperative Agreements - 28 CFR, Part 66, Common Rule, that govern the application, acceptance and use of Federal funds for this federally-assisted project. Also the Applicant assures and certifies that:

1. It possesses legal authority to apply for the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information may be required.
2. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally-assisted programs.
3. It will comply with provisions of Federal law which limit certain political activities of employees of a State or local unit of government whose principal employment is in connection with an activity financed in whole or in part by Federal grants. (5 USC 1501, et seq.)
4. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act if applicable.
5. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
6. It will give the sponsoring agency or the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will comply with all requirements imposed by the Federal sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.
8. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
9. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1976. Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
10. It will assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 USC 470), Executive Order 11593, and the Archeological and Historical Preservation Act of 1966 (16 USC 569a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.
11. It will comply, and assure the compliance of all its subgrantees and contractors, with the applicable provisions of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, the Juvenile Justice and Delinquency Prevention Act, or the Victims of Crime Act, as appropriate; the provisions of the current edition of the Office of Justice Programs Financial and Administrative Guide for Grants, M7100.1; and all other applicable Federal laws, orders, circulars, or regulations.
12. It will comply with the provisions of 28 CFR applicable to grants and cooperative agreements including Part 18, Administrative Review Procedure; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; Part 30, Intergovernmental Review of Department of Justice Programs and Activities; Part 42, Nondiscrimination/Equal Employment Opportunity Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; and Federal laws or regulations applicable to Federal Assistance Programs.
13. It will comply, and all its contractors will comply, with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 USC 3789(d), or Victims of Crime Act (as appropriate); Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, and G; and Department of Justice regulations on disability discrimination, 28 CFR Part 35 and Part 39.
14. In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, sex, or disability against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, Office of Justice Programs.
15. It will provide an Equal Employment Opportunity Program if required to maintain one, where the application is for \$500,000 or more.
16. It will comply with the provisions of the Coastal Barrier Resources Act (P.L. 97-348) dated October 19, 1982 (16 USC 3501 et seq.) which prohibits the expenditure of most new Federal funds within the units of the Coastal Barrier Resources System.



U.S. DEPARTMENT OF JUSTICE  
OFFICE OF JUSTICE PROGRAMS  
OFFICE OF THE COMPTROLLER

## CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying" and 28 CFR Part 67, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Justice determines to award the covered transaction, grant, or cooperative agreement.

### 1. LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 CFR Part 69, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

### 2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (DIRECT RECIPIENT)

As required by Executive Order 12549, Debarment and Suspension, and implemented at 28 CFR Part 67, for prospective participants in primary covered transactions, as defined at 28 CFR Part 67, Section 67.510—

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a

public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

### 3. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67 Sections 67.615 and 67.620—

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about—

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—



(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Department of Justice, Office of Justice Programs, ATTN: Control Desk, 633 Indiana Avenue, N.W., Washington, D.C. 20531. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Check  if there are workplaces on file that are not identified here.

Section 67, 630 of the regulations provides that a grantee that is a State may elect to make one certification in each Federal fiscal year. A copy of which should be included with each application for Department of Justice funding. States and State agencies may elect to use OJP Form 4061/7.

Check  if the State has elected to complete OJP Form 4061/7.

**DRUG-FREE WORKPLACE  
(GRANTEES WHO ARE INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67; Sections 67.615 and 67.620—

A. As a condition of the grant, I certify that I will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant; and

B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, I will report the conviction, in writing, within 10 calendar days of the conviction, to: Department of Justice, Office of Justice Programs, ATTN: Control Desk, 633 Indiana Avenue, N.W., Washington, D.C. 20531.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

1. Grantee Name and Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Application Number and/or Project Name

3. Grantee IRS/Vendor Number

\_\_\_\_\_  
\_\_\_\_\_

4. Typed Name and Title of Authorized Representative

\_\_\_\_\_  
\_\_\_\_\_

5. Signature

6. Date



U.S. DEPARTMENT OF JUSTICE  
OFFICE OF JUSTICE PROGRAMS

**ACCOUNTING SYSTEM AND FINANCIAL CAPABILITY QUESTIONNAIRE**

**SECTION A: PURPOSE**

The financial responsibility of grantees must be such that the grantee can properly discharge the public trust which accompanies the authority to expend public funds. Adequate accounting systems should meet the following criteria as outlined in the OJP guideline manual entitled, "Financial and Administrative Guide for Grants."

- (1) Accounting records should provide information needed to adequately identify the receipt of funds under each grant awarded and the expenditure of funds for each grant, for each action program covered by a State's grants and for each subgrant awarded by the State.
- (2) Entries in accounting records should refer to subsidiary records and/or documentation which support the entry and which can be readily located.
- (3) The accounting system should provide accurate and current financial reporting information.
- (4) The accounting system should be integrated with an adequate system of internal controls to safeguard the funds and assets covered, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies.

**SECTION B: GENERAL**

1. Name of Organization: _____		2. Type of Organization: For-Profit <input type="checkbox"/> Not-for-Profit <input type="checkbox"/> Other <input type="checkbox"/> Explain: _____	
3. If your firm publishes a general information pamphlet setting forth the history, purpose and organizational structure of your business, please provide this office with a copy; otherwise, complete the following items:			
a. When was the organization founded/incorporated? (month, day, year)	b. Principal Officers		Titles
c. Employer Identification Number: _____	_____		_____
d. Number of Employees Full Time: _____ Part Time: _____	_____		_____
4. Is the firm affiliated with any other firm? <input type="checkbox"/> Yes <input type="checkbox"/> No If "yes", provide details: _____		5. Total Sales/Revenues in most recent accounting period. (12 months) \$ _____	

**SECTION C: ACCOUNTING SYSTEM**

1. Has any Government Agency rendered an official written opinion concerning the adequacy of the accounting system for the collection, identification and allocation of costs under Federal contracts/grants? <input type="checkbox"/> YES <input type="checkbox"/> NO			
a. If yes, provide name and address of Agency performing review: _____	b. Attach a copy of the latest review and any subsequent correspondence, clearance documents, etc.		
Note: If review occurred within the past three years, omit questions 2-9 of this Section and Section D.			
2. Which of the following best describes the accounting system? <input type="checkbox"/> Manual <input type="checkbox"/> Automated <input type="checkbox"/> Combination			
3. Does the organization use a double-entry system in accounting for program funds? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			
4. Does the accounting system identify the receipt and expenditures of program funds separately for each contract/grant? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			
5. Does the accounting system provide for the recording of expenditures for each grant/contract by the component project and budget cost categories shown in the approved budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			
6. Are time distribution records maintained for an employee when his/her effort can be specifically identified to a particular cost objective? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			
7. If the organization proposes an overhead rate, does the accounting system provide for the segregation of direct and indirect expenses? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			
8. Does the accounting/financial system include budgetary controls to preclude incurring obligations in excess of:			
a. Total funds available for a grant?		<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Not Sure
b. Total funds available for a budget cost category (e.g. Personnel, Travel, etc.)?		<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Not Sure
9. Is the firm generally familiar with the existing regulations and guidelines containing the cost principles and procedures for the determination and allowance of costs in connection with Federal contracts/grants? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure			

**SECTION D: FUND CONTROL**

1. Is a separate bank account maintained for grant/contract funds?  Yes  No  Not Sure
2. If Federal grant/contract funds are commingled with organization funds, can the Federal grant funds and related costs and expenses be readily identified?  Yes  No  Not Sure
3. Are the officials of the firm bonded?  Yes  No  Not Sure

**SECTION E: FINANCIAL STATEMENTS**

1. Did an independent certified public accountant (CPA) ever examine the financial statements?  Yes  No
2. If an independent CPA review was performed please provide this office with a copy of their latest report and any management letters issued.  Enclosed  N/A
3. If an independent CPA was engaged to perform a review and no report was issued, please provide details and an explanation below:
4. If an independent CPA has never examined your financial statements, please develop and provide this office with a copy of the following financial statements:  
 a. A detailed "Balance Sheet" for the most current and previous year; and  
 b. A detailed "Income Statement" for the most current and previous year.

**SECTION F: ADDITIONAL INFORMATION**

1. Use this space for any additional information (*indicate section and item numbers if a continuation*)

**SECTION G: APPLICANT CERTIFICATION**

I certify that the above information is complete and correct to the best of my knowledge.

- |                       |   |
|-----------------------|---|
| 1. Signature and Date | b. Firm Name, Address, and Telephone Number |
| a. Title              | c. Application Identifier Number            |

**SECTION H: CPA CERTIFICATION**

The purpose of the CPA certification is to assure the Federal agency that the recipient can establish fiscal controls and accounting procedures which assure that Federal and State/local funds available for the conduct of the grant programs and projects are disbursed and accounted for properly.

- |                       |   |
|-----------------------|---|
| 1. Signature and Date | b. Firm Name, Address, and Telephone Number |
| a. Title              |   |

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