

# Arizona Department of Emergency & Military Affairs

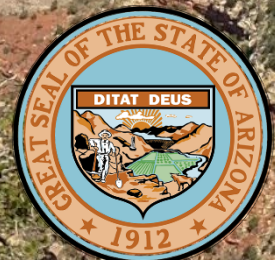
## Division of Emergency Management

### Border Security Fund

#### Prosecution and Imprisonment of Border Related Crimes Program Outline

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This document is developed and maintained by the Arizona Department of Emergency and Military Affairs, Emergency Management Division.

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The Arizona Department of Emergency & Military Affairs will decide funding awards to new applicants based upon an evaluation that is in accordance with established Border Security Fund guidance and in coordination with an established review panels assessment of the funding request.

Eligible recipients shall submit an application with a detailed scope of work narrative outlining the priorities and objectives in alignment with the information below.

ARS 26-105 Border Security Fund

Border Security Fund - \$20,000,000 Cities/Towns/Counties

Purpose – to distribute to cities, towns or counties for costs associated with prosecuting and imprisoning individuals charged with drug trafficking, human smuggling, illegal immigration, and other border-related crimes.

Allowable/Prioritized Cost:

1. Preventing Human Trafficking
2. Prevention of Entry into the United States of:
  - a. Aliens who are unlawfully present in the United States.
  - b. Terrorists and instruments of terrorism.
  - c. Contraband, including narcotics and other controlled substances.

### Issuance of Recipient Agreement

Upon final review and approval of the recipient application, the Border Security Fund agreement will be generated and sent to the recipient along with any special conditions. When the agreement has been signed and returned, the agreement will be signed and dated by the AZDEMA Director and a fully executed copy will be forwarded to the recipient for their records. Receipt of the agreement conveys authorization for the recipient to initiate their project(s) as identified in the approved application. A fully signed and executed agreement must be on file with AZDEMA prior to any issuance of reimbursement for eligible costs incurred.

### Quarterly Reporting Requirements

In accordance with pass-through requirements, AZDEMA is required to track quarterly progress of the Border Security Fund. Recipients will be monitored periodically by AZDEMA both programmatically and financially, to ensure that the project goals, objectives, timelines, budgets [as stated by the applicant/recipient and approved by AZDEMA] and other related Border Security Fund program criteria are being met. The priorities, initiatives, and other projects outlined and submitted within the application are the mechanism that allows this tracking. **As such, regardless of whether the recipient is requesting quarterly reimbursement and providing financial reports and supporting documentation, submission of quarterly report updates to indicate what progress has been made during each quarter is required.** This process shall be repeated throughout the period of performance.

Programmatic and financial reports are required for each reporting period. Due dates are:

Quarter	Due Date	Performance Period
1	October 15	July 1 - September 30
2	January 15	October 1 - December 31
3	April 15	January 1 - March 31
4	July 15	April 1 - June 30

Final reimbursement request is due 30 days after the end of the period of performance or the completion of the project.

If additional documentation is needed to support the final reimbursement, contact will be made to the subrecipient agency. If all documentation to support final reimbursement is not received within 30 days from the period of performance, final reimbursement will be based on documentation received. Documentation received after the deadline date will not be accepted.

**Quarterly Programmatic Reports** document all the Border Security Fund related activities undertaken by the jurisdiction during the reporting period. The quarterly programmatic reports can be e-mailed to the AZDEMA Program Coordinator at [grants.border@azdema.gov](mailto:grants.border@azdema.gov). Jurisdictions are expected to complete, and report progress of the overall set of tasks, priorities, and initiatives outlined in their approved application during each quarter of the fiscal year.

Each quarter that shows progress towards completion of recipient stated and AZDEMA approved the Border Security Fund funded activities must be documented with new information in a quarterly report. Failure to update programmatic the Border Security Fund activities outline report for each quarter will result in delayed reimbursement. Additionally, lack of progressive progress could result in de-obligation of funds. Any de-obligated funds will be reprogrammed by the state to projects that can be completed within the period of performance. If a “supplemental” funding opportunity becomes available, only the Border Security Fund recipient that have met the quarterly requirements will be notified and eligible to apply.

A **Quarterly Financial Expenditure Reports** document requests for reimbursement and all the Border Security Fund related expenditures. Quarterly financial reports can be emailed to [grants.border@azdema.gov](mailto:grants.border@azdema.gov) and contain proper signatures. Please email or mail them to allow for time to arrive by the due date as indicated above. If financial reports cannot be submitted by the due date, please make notification to AZDEMA via email, and include circumstances which have prevented the report from being submitted on time.

The subrecipient has 14 days from the date contacted by AZDEMA regarding missing documentation, or clarification of documentation. If no action is taken by the subrecipient to remedy the missing or clarification of documents, AZDEMA will move forward with the reimbursement request as is. If documentation is submitted after the date due, AZDEMA will, at their discretion, add the amount eligible for reimbursement to either the next quarter’s

reimbursement, or the final reimbursement at the end of the period of performance.

### Final Quarter Programmatic Reporting

All recipients of funding must submit a Final Quarter Report to include a summary narrative of annual accomplishments corresponding with the respective approved fiscal year application.

### Audits

The recipients are accountable for the use of funds under this program. The recipients must maintain records that adequately identify the sources and application of funds provided for financially assisted activities. Actual expenditures or outlays will be compared with budgeted amounts to determine if the expenditures qualify as a reimbursable expense under this program. This documentation is subject to review at any given time through the record retention period by state auditors as well as AZDEMA officials.

### Availability of Public Records

Arizona's public records law generally requires disclosure of information.

Recipients are encouraged to consult state and local laws and regulations and discuss these requirements with their legal counsel. Recipients should be familiar with the regulations governing protected critical infrastructure information and sensitive security information, as these designations may provide additional protection to certain classes of homeland security information.

### Record Retention

Recipients are required to retain all the Border Security Fund-related documentation for five years after the close of the Border Security Fund program in accordance with the State of Arizona Accounting Manual (SAAM 0045). AZDEMA will provide notification of the Border Security Fund closure date along with final reimbursement for the Border Security Fund. The letter will also specify retention date for the Border Security Fund-related documentation, so the applicant maintains successful compliance.

### Programmatic Compliance

#### Personnel

All personnel expenditures must be related to the Border Security Fund Program. Program funded positions must be listed on the application. Provide position descriptions and responsibilities.

Key personnel changes must be reported to the Program Coordinator through an agency memo within 30 days of the change.

Funds can be used for hiring of personnel to support the program, overtime costs, offer of incentive bonuses, or other initiatives needed to retain/augment staff for efficient operations.

## Travel

Travel is eligible for meetings, conferences, training, and exercises. Reimbursements require complete documentation.

Prior approval is required for international travel. Recipient must submit a narrative in the application as to why international travel is needed.

## Contractual Services

Professional & Consultant Services Projects that entail more than one task, i.e., different plan revisions, should be identified as separate projects. Contracts that are to be worked in phases must include the details on all documentation (contracts, purchase orders, invoices, etc.) such as the scope for each phase, start & end dates, cost or price, and other documentation as needed.

## Supplies

As defined as tangible personal property other than “equipment” as used in this guidance have a disposition requirement when the residual value of the combined unused inventory exceeds \$5,000. In cases where this may occur, the awarding agency is entitled to its share of the value of the remaining inventory.

## Equipment

Utilization of funds for equipment purchases requires that the Border Security Fund recipient maintain specific documentation on each item through its useful life until final disposition occurs and in accordance with the State of Arizona Accounting Manual (SAAM 25-70). Procedures for managing equipment (including replacement equipment), whether acquired in whole, or in part, with the Border Security Fund funds, until disposition takes place will, at a minimum, meet the following requirements:

Property records must be maintained that include:

- A description of the property,
- A serial number or other identification number,
- The source of property,
- Who holds title,
- The acquisition date, and cost of the property,
- Percentage of state participation in the cost of the property,
- The location, use, and condition of the property, and
- Any ultimate disposition data including the date of disposal and sale price of the property.
- A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years.
- A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

- Adequate maintenance procedures must be developed to keep the property in good condition.
- If the fund recipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.
- Vehicle logs documenting day-to-day activities may be required for funded vehicles. This will be determined on a case-by-case basis and will be outlined in the conditional award letter if applicable.

When the equipment is no longer needed for the original project and/or has outlasted its useful life, the below requirements should be followed for final disposition:

- Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.
- Items of equipment with a current per unit fair market value more than \$5,000 may be retained or sold and the awarding agency (AZDEMA) shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.
- In cases where a recipient or the Border Security Fund recipient fails to take appropriate disposition actions, the awarding agency may direct the recipient or the Border Security Fund recipient to take excess and disposition actions.

### Environmental/Historical Preservation (EHP)

Equipment: Any equipment purchased with funds must abide by these requirements. If equipment requires modification/installation of a building to include mounting brackets on a wall or ceiling would require an EHP review.

Construction and Renovation: If construction or renovation requires modification/installation or disturbance to ground or building structure an EHP review is required.

Exercises: Any type of exercise that requires any type of land, water, or vegetation disturbance or building of temporary structures must undergo and EHP review.

Contact: Arizona State Parks  
State Historic Preservation Office (SHPO)  
Jim Cogswell, Compliance Specialist/Archeologist  
(602) 542-7142  
jcogswell@azstateparks.gov

### Procurement Process

The procurement process is one of, if not the most, scrutinized aspect of the local and state programs. The emphasis on how procurements are made is based Arizona Procurement Code and local procurement regulations. All recipients are strongly urged to seek out their procurement



department/individual to seek guidance on implementing the Border Security Fund requirements into the procurement of any the Border Security Fund funded item or service.

Recipients will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase order.

Recipients should note that the following situations are restrictive of competition and should be avoided:

- Placing unreasonable requirements on firms for them to qualify to do business,
- Requiring unnecessary experience and excessive bonding,
- Noncompetitive pricing practices between firms or between affiliated companies,
- Noncompetitive awards to consultants that are on retainer contracts,
- Organizational conflicts of interest,
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance of other relevant requirements of the procurement, and
- Any arbitrary action in the procurement process.

Recipient will maintain records to sufficiently detail the significant history of any procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. Recipient alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements.

### **Maintenance and Sustainment**

Use of funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable under all active awards, unless otherwise noted. Recipient should explain how they will maintain and sustain equipment purchased with funds throughout its useful life.

### **Fiscal Compliance**

#### **State of Arizona Accounting Manual**

All Border Security Fund expenditures must follow the State of Arizona Accounting Manual (SAAM)  
<https://gao.az.gov/publications/saam>

#### **Source Documentation**

AZDEMA requires that accounting records be supported by source documentation such as cancelled checks, invoices, payroll reports, time and attendance records, contracts, and purchase orders. AZDEMA requires that the Border Security Fund recipient have source documentation available prior to requesting reimbursement. Proper documentation for select items is as follows:

- Travel costs
  - Copy of the government unit travel policy
  - Receipts/documentation as required by travel policy justification and/or approval from government entity for overage in per diem rates, etc.
  - International travel must be submitted to AZDEMA 45 days in advance for pre-approval and must be included in the approved application budget.
  - Meeting or conference agenda
  - Refer to the State of Arizona Accounting Manual for Travel Policy Topic 50
- Out of State Travel
  - Hotel invoice/receipt
  - Flight invoice/receipt
  - Shuttle receipt
  - Meal receipts are not required, keep copies for auditing purposes.
- In State Travel
  - Hotel invoice/receipt if overnight stay is required
  - Mileage: Personal vehicles – provide a printed copy of MapQuest details
  - Meal receipts not required, keep copies for auditing purposes.
- Payroll Reports
  - Documentation from an official accounting system which documents the payee, date, amount paid, and warrant or EFT number
  - Payroll records for personnel expenditures (including, Employee Related Expenditures)
- Professional and Contractual costs
  - The type of service to be rendered must be described.
  - Backup documentation such as bids and quotes.
  - Cost price analysis on file for review by AZDEMA personnel, if applicable.
- AZDEMA requires the subrecipient to maintain the following documentation for purchases which may be requested by AZDEMA any time:
  - Specifications
  - Solicitations
  - Competitive quotes or proposals
  - Basis for selection decision

- Contracts
- Invoices
- Cancelled Checks
  - Note: recipient should keep detailed records of all transactions involving the Border Security Fund.
- For individual consultants, a scope of work is required and must detail the following:
  - Must describe the hourly, daily, or weekly base rate given
  - Are rates allowable, justified, reasonable, and comparable to market
  - The procurement method must be described
  - Maintenance costs are allowable and must support the program accordingly.
- Supply costs
  - Supplies should be listed separately
  - Invoices (not quotes)
  - Copy of purchase order
  - Proof of payment such as a copy of a warrant or EFT/ACH payment.

Credit or purchasing card statements are not acceptable proof of payment