




STATE OF INDIANA



Eric J. Holcomb, Governor
Devon McDonald, Executive Director

TO: All ICJI Staff and Subgrantees

FROM: Devon McDonald, Executive Director 

RE: Supplies and Equipment Purchases
Grant Management Directive 8

EFFECTIVE DATE: December 5, 2022

Issue: Many of the Indiana Criminal Justice Institute's ("ICJI") subgrantees utilize grant funds to purchase supplies and equipment to carry out various program purposes. Federal and state auditors, as well as subgrantees, have raised questions to ICJI as to when supplies and equipment can be purchased during the grant period of performance.

Answer: A subgrantee that budgets for and utilizes grant funds to purchase supplies and equipment to carry out grant activities must purchase all non-consumable supplies¹ and equipment prior to the final 90 days of the grant period of performance.

Consumable supplies are those that are used or worn out and require regular replacement. Consumable supplies include, but are not limited to, items such as pencils, envelopes, copy paper, and trash bags. Non-consumable supplies are those that are reused and naturally deteriorate over time. Non-consumable supplies include, but are not limited to, items such as tablets, office chairs, or printers.

A subgrantee cannot purchase non-consumable supplies or equipment during the final 90 days of the grant period of performance. Per 2 C.F.R. 200.403, costs must be necessary for the performance of the federal award in order to be allowable. Purchasing non-consumable supplies and/or equipment during the last 90 days of the grant period creates a presumption that the items were not necessary to fulfill the objectives of the project during the grant period of performance. Therefore, non-consumable supplies and equipment purchased during the last 90 days of the grant performance period *will not be reimbursed*.

Any requests for an exception to this policy must be made in writing to a subgrantee's grant manager *prior to* making the purchase in question. Exceptions will only be granted in limited, extraordinary circumstances where significant justification is provided. If an exception is granted, the items must be ordered *and within the subgrantee's possession* prior to the end of the grant period of performance. In

¹ In the event that excessive quantities of consumable supplies are purchased in the final 90 days of the grant period of performance, ICJI reserves the right to refuse reimbursement. For example, if an organization budgets for 5,000 envelopes and purchases all 5,000 in the final month of the grant period, this purchase will not be reimbursed.

addition, payment for the items must be made within 30 days of the end of the grant period of performance.

Examples: Subgrantee A's approved budget for their one-year JAG grant includes a printer and a license plate reader. The printer is purchased one month into the grant period of performance, and the license plate reader is purchased two months into the grant period of performance. These items are eligible for reimbursement, as they were necessary for the performance of the award and will be utilized to further the goals and objectives of the funded program throughout the grant period of performance.

Subgrantee B's approved budget for their two-year VOCA grant includes 5,000 sheets of copy paper. 4,500 sheets of copy paper are purchased in the first six months of the grant. The remaining 500 sheets of copy paper are purchased 60 days before the end of the grant period of performance. All of the copy paper (a consumable supply) is eligible for reimbursement.

Subgrantee C's approved budget for their one-year Title II grant includes two laptops. The laptops are purchased 45 days prior to the end of the grant period of performance. The laptops are not eligible for reimbursement, as they will not be utilized to further the goals and objectives of the funded program throughout the grant period of performance.