

## MEMORANDUM OF UNDERSTANDING

Between the

INDIANA STATE BUDGET AGENCY

and the

INDIANA DEPARTMENT OF CORRECTIONS

This Memorandum of Understanding is entered into by and between the Indiana State Budget Agency (“SBA”) and the Indiana Department of Corrections (“DOC”). The parties mutually agree to the terms and conditions set forth herein.

**WHEREAS**, SBA, an agency of the Office of Management and Budget (“OMB”), is designated by OMB to accept and administer funds from the federal Coronavirus Aid, Relief and Economic Security (CARES) Act, Pub.L. 116–136; and

**WHEREAS**, DOC has authority under Title 11 to administer the State’s prison system and various corrections programs; and

**WHEREAS**, the parties enter into this MOU to memorialize their understanding of the mutual advantages of this cooperative relationship.

**NOW, THEREFORE**, the parties agree to the terms and conditions set forth below:

### I. Purpose

The purpose of this MOU is to memorialize an agreement to reimburse DOC for necessary expenditures related to the State’s response to the COVID-19 public health emergency, as more fully set forth in Attachment A, (the “Program”) and provide guidance to DOC for the purpose of complying with federal requirements under 2 C.F.R 200.

### II. Grant Information

- a) CFDA number and name: **21.019**
- b) Federal Award Name: **Coronavirus Relief Fund (“CRF”)**
- c) Federal Award Identification Number: **N/A**
- d) Federal Award Date: **March 27, 2020**
- e) Name of Federal Agency: **U.S. Treasury**
- f) Total Amount of Funds obligated to the sub state agency: **\$3,154,007.50**
- g) Period of time sub state agency can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were incurred between March 1, 2020, and December 30, 2021.**

- h) Period of time to sub state agency can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were incurred by December 30, 2021. Liquidation period, although not defined, is expected to be no later than 90 days after the close of the calendar year.**
- i) Requirements imposed on the sub-state agency so that the award is used in accordance with Federal statutes, regulations and the terms and conditions of the award. **The federal funds are considered federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F. R. § § 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. In addition, guidance from the Department of Treasury.**
- j) Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- k) Match requirements: **None.**
- l) Reporting requirements: DOC must encumber all contractual and grant agreement amounts spent with Coronavirus Relief Funds in PeopleSoft, preferably in the DOC Department of Treasury PeopleSoft Fund. Where amounts are encumbered outside of the DOC Department of Treasury PeopleSoft Fund and transferred to the Coronavirus Relief Fund via journal entry, DOC must attach a spreadsheet with Vendor and PO details to the journal entry so that OMB/SBA can comply with Department of Treasury Reporting Requirements.

(All contracts, grants, loans, transfers to other government entities, or direct payments greater than or equal to \$50,000 must be disclosed by OMB/SBA in the Department of Treasury's GrantSolutions portal within 10 calendar days of the end of each quarter until October 31, 2022.)

DOC shall provide a list of all subrecipients as defined in 2 CFR 200.330 and the amount of the award as part of DOC's monthly report.

DOC should inquire with its CRF vendors if they are registered in SAM and if they have a DUNS number. If DUNS numbers are received, these should be forwarded to OMB/SBA as part of DOC's monthly report.

### **III. Term**

The MOU shall be in effect from March 1, 2020, through January 31, 2022.

When the Director of the SBA makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this memoranda, the memoranda shall be canceled. A determination by the Director of the SBA that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

### **IV. Obligations of the Parties**

The parties agree to the following obligations under this MOU:

1. SBA agrees to provide DOC from the CARES Act an amount not to exceed the amount listed in Section II(f), which may be amended from time to time. DOC agrees to return to SBA any unused funds.
2. DOC will follow federal expenditure procedures as outlined in the State Board of Accounts manual.
3. DOC acknowledges that it is a Sub-State Agency as that term is used in the State Board of Accounts manual.
4. DOC will administer the Program in accordance with federal laws and guidance of the CARES Act, US Treasury guidance and policies, OMB and SBA policies and procedures, State Board of Accounts guidance on administration and tracking of COVID-19 funds, and any policies or procedures implemented by DOC for administration of the program. DOC's responsibilities to administer the Program include:
  - a. Provide communications and monthly reports to the Director of the OMB and the Director of SBA no later than ten (10) days after the end of the month regarding the status of the Program, including a detailed breakdown of the expenditures reimbursed under the Program and an explanation of why those expenditures were necessary to respond to the COVID-19 public health emergency;
  - b. Cooperate with any audit regarding use of Program funds by State Board of Accounts or as otherwise required under the CARES Act or other federal law.
5. SBA will assist DOC as necessary with the administration of the Program.

### **V. Records Retention**

DOC agrees to maintain records to support compliance with subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)). This may include, but is not limited to, copies of the following:

1. general ledger and subsidiary ledgers used to account for (a) the receipt of Coronavirus Relief Fund payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
2. budget records for 2019, 2020, 2021, and 2022;

3. payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
4. receipts of purchases made related to addressing the public health emergency due to COVID-19;
5. contracts and subcontracts entered into using Coronavirus Relief Fund payments and all documents related to such contracts;
6. grant agreements and grant subaward agreements entered into using Coronavirus Relief Fund payments and all documents related to such awards;
7. all documentation of reports, audits, and other monitoring of contractors, including subcontractors, and grant recipient and subrecipients;
8. all documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
9. all internal and external email/electronic communications related to use of Coronavirus Relief Fund payments; and
10. all investigative files and inquiry reports involving Coronavirus Relief Fund payments.

DOC will maintain records for a period of five (5) years after final payment is made using Coronavirus Relief Fund monies. These record retention requirements are applicable to all prime recipients and their grantees and subgrant recipients, contractors, and other levels of government that received transfers of Coronavirus Relief Fund payments from prime recipients.

#### **VI. SEFA Reporting**

DOC will identify Emergency Acts expenditures separately on the DOC Schedules of Expenditures of Federal Awards (SEFA).

Personnel expenses reimbursed by CRF funds must meet the requirements of the program as provided by the U.S. Department of Treasury.

#### **VII. Modifications**

This parties may modify this MOU by a written, mutual, signed amendment.

#### **VIII. Notices**

Any notice required or permitted to be given under this MOU shall be sent to the following:

State Budget Agency  
Attn: Lisa Acobert  
State House Room 212  
200 W. Washington Street  
Indianapolis, IN 46204  
LiAcobert@sba.IN.gov

Indiana Department of Corrections  
Attn: Randy Koester, Chief of Staff  
302 West Washington Street, Room E334  
Indianapolis, Indiana 46204  
rkoester@DOC.IN.gov

**IX. Termination or Suspension**

This MOU may be terminated or suspended by either party if the other party has failed to comply with the terms of this MOU, or for any reason if such termination is in the best interest of the terminating agency, upon thirty (30) days written notice. The notice of termination or suspension shall state the reasons for termination or suspension. Regardless of the reason for termination or suspension, the parties will be compensated for services properly rendered prior to termination or suspension of this MOU.

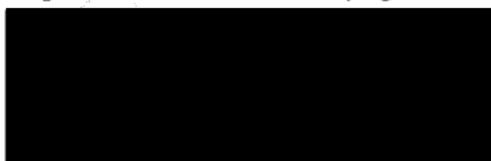
**X. Entire Agreement**

This MOU constitutes the entire agreement of the parties and may only be amended by the written mutual consent of the parties.

**XI. Non-Collusion and Acceptance**

The undersigned attests, subject to the penalties for perjury, that he/she is the agreeing party, or that he/she is the representative, agent, member or officer of the agreeing party, that he/she has not, nor has any other member, employee, representative, agent or officer of the division, firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears on the face of this Agreement.

**In Witness Whereof**, SBA and DOC have, through duly authorized representatives, entered into this MOU. The parties having read and understand the foregoing terms of this MOU, do by their respective signatures dated below hereby agree to the terms thereof.



Randy Koester, Chief of Staff  
Indiana Department of Corrections



Zachary Q. Jackson, Director  
State Budget Agency

DATE: Jan. 29, 2021

DATE: 2/1/2021

## **ATTACHMENT A**

As part of the State's response to the COVID-19 public health pandemic, the Indiana Department of Corrections (DOC) has had to modify procedures to comply with public health requirements, including changing the process for adding new prisoners to the State's prison system. The modified procedures have resulted in prisoners spending extra time in county jails. By statute, the DOC must pay county jails a daily fee if prisoners are incarcerated for more than five (5) days after the day of sentencing or the date upon which the DOC receives the abstract of judgment and sentencing order, whichever occurs later. The amount in the MOU is the difference between DOC's spending on county jail holds as of 11/30/2020 and the average spending during 2018 and 2019 over the same time period.