



# City of Jonesboro

Municipal Center  
300 S. Church Street  
Jonesboro, AR 72401

## Meeting Agenda Finance & Administration Council Committee

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Tuesday, July 31, 2018

4:00 PM

Municipal Center

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### 1. Call To Order

### 2. Roll Call by City Clerk Donna Jackson

### 3. Approval of minutes

**MIN-18:074** Minutes for the Finance Committee meeting on July 13, 2018.

**Attachments:** [Minutes](#)

### 4. New Business

#### *ORDINANCES TO BE INTRODUCED*

**ORD-18:050** AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF JUSTICE TO ACCEPT THE FY2017 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD AND AMEND THE 2018 BUDGET

**Sponsors:** Grants and Finance

**Attachments:** [Grant Award JAG FY 2017 DJ-BX0833](#)  
[FY 2017 JAG Program Budget Narrative](#)

#### *RESOLUTIONS TO BE INTRODUCED*

**RES-18:112** A RESOLUTION TO CONTRACT WITH KIWANIS CLUB OF JONESBORO FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT THE MIRACLE LEAGUE COMPLEX

**Sponsors:** Parks & Recreation

**Attachments:** [Exhibit A](#)

**RES-18:117** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Sponsors:** Human Resources and Finance

**Attachments:** [Amendment Two to COJ 457\(b\) Plan](#)  
[City of Jonesboro 457\(b\) Plan - Restated Loan Policy\(2\).pdf](#)

**RES-18:118** A RESOLUTION TO ALLOW THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO

**Sponsors:** Mayor's Office and Williams

**Attachments:** [resolution to advertise for impact fee consultant.pdf](#)

## **5. Pending Items**

**RES-18:107** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Sponsors:** Human Resources and Finance

**Attachments:** [Amendment Two to COJ 457\(b\) Plan](#)

**Legislative History**

7/13/18	Finance & Administration Council Committee	Postponed Temporarily
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**RES-18:108** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Sponsors:** Human Resources and Finance

**Attachments:** [Amendment Three to COJ 457\(b\) Plan](#)  
[Loan Policy](#)

**Legislative History**

7/13/18	Finance & Administration Council Committee	Postponed Temporarily
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**RES-18:109** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 401 (a) DEFINED CONTRIBUTION PLAN

**Sponsors:** Human Resources and Finance

**Attachments:** [Amendment Two to 401\(a\)](#)

**Legislative History**

7/13/18	Finance & Administration Council Committee	Postponed Temporarily
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## **6. Other Business**

**7. Public Comments**

**8. Adjournment**



## Legislation Details (With Text)

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**File #:** MIN-18:074    **Version:** 1    **Name:** Minutes for the Finance Committee meeting on July 13, 2018  
**Type:** Minutes    **Status:** To Be Introduced  
**File created:** 7/24/2018    **In control:** Finance & Administration Council Committee  
**On agenda:**    **Final action:**  
**Title:** Minutes for the Finance Committee meeting on July 13, 2018.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Minutes](#)

Date	Ver.	Action By	Action	Result
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Minutes for the Finance Committee meeting on July 13, 2018.



# City of Jonesboro

Municipal Center  
300 S. Church Street  
Jonesboro, AR 72401

## Meeting Minutes Finance & Administration Council Committee

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Friday, July 13, 2018

4:00 PM

Municipal Center

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### 1. Call To Order

### 2. Roll Call by City Clerk Donna Jackson

**Present** 5 - Ann Williams; John Street; David McClain; LJ Bryant and Joe Hafner

**Absent** 1 - Charles Coleman

### 3. Approval of minutes

[MIN-18:065](#)

Minutes for the Finance & Administration Committee meeting on June 26, 2018

**Attachments:** [Minutes](#)

*Chairmember Joe Hafner said I would like to thank Councilmember David McClain for running that meeting for me in my absence.*

**A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Passed . The motion PASSED with the following vote.**

**Aye:** 5 - Ann Williams; John Street; David McClain; LJ Bryant and Joe Hafner

**Absent:** 1 - Charles Coleman

### 4. New Business

#### RESOLUTIONS TO BE INTRODUCED

[RES-18:100](#)

RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH DATA MANAGEMENT, INC FOR USE OF TIMECLOCK PLUS ONDEMAND TIME AND ATTENDANCE MANAGEMENT SYSTEM

**Attachments:** [Timeclock Plus Quote - No Hardware.PDF](#)  
[Navitas - Jonesboro Agreement](#)  
[Navitas - Jonesboro Agreement ADDENDUM](#)  
[Data Management - Timeclock Plus Agreement \(2\).pdf](#)

*Chairmember Joe Hafner said there are a couple things I would like to say about this one. I spoke with Chief Financial Officer Bill Reznicek a little bit about it yesterday. You all may recall that Paychex was the first time clock management system we used*

*and it wasn't working correctly. They did refund us all the money that we had spent with them, up to date. This is not an additional cost. We got all that money back.*

*Mr. Reznicek said yes. The original implementation charge from Paychex was \$3,500. We had paid \$1,520 of that and they refunded that full amount. I, basically, worked out an arrangement with them for us to exit the relationship on an amiable basis because of the issues we had, including shortcomings in the product in terms of its functionality and how it related, initially, to the capability of the system. We had some other issues where it simply was not going to work relative to things like Springbook interface, our comp time processing and particularly, the Fire Department over time. Their system just really didn't have the flexibility and back office capability to manage those things. We would have essentially been doing a number of things manually, that we were currently doing manually. So, at that point, I said this doesn't really make sense because the whole idea was to automate the process. We exited that relationship. TimeClock Plus had been one of the three vendors we looked at previously. Although there were reasons we selected Paychex at the time, number one was cost, because they were slightly less expensive. Number two, they told us they would interface with Human Resources Director Dewayne Douglas' applicant tracking software. We also had the capability of eventually incorporating into a full payroll service. Had we decided at some point in the future that we wanted to outsource the payroll processing, Paychex would have been the logical step and we thought having a time and attendance system gave us better capability to do that in the future. So, there were some specific reasons we chose Paychex, but in the end, it worked out that they weren't the best solution for time and attendance for us, so we made the decision to pull the plug. TimeClock Plus was basically the number two choice. They are slightly more expensive annualized for next year, but I have some numbers that I can do a comparison for the balance of this year. The difference with TimeClock Plus, and we noted this before, is that they do have a substantial amount of municipality experience, and they also are a Springbook recommended partner. The issues we had with Paychex was they said on the front end they would be capable of resolving or meeting the requirements we had, but they weren't able to do so. We are comfortable TimeClock Plus will. We also had them do an additional demonstration to us specific to the issues we had with Paychex, and we did that about six weeks ago. They went through their system with us and the examples of things where Paychex had shortcomings in their system and they demonstrated the capabilities. So, we're comfortable with the functionality and capability of their product.*

*Chairmember Hafner said the other thing Mr. Reznicek and I talked about was the financing of the time clock hardware, and it's actually a lease, but there were advantages to leasing it instead of buying it outright. Mr. Reznicek said yes. Finance Manager Trever Harvey and I talked about this again today and it's a bit of a flip of a coin. The reason why, in this case, I recommend we lease the time clocks, and there are a couple reasons, is number one, it's technology and the obsolescence factor with technology, and the other reason with TimeClock Plus is that they don't have an in-house monthly time clock rent feature in their program. So, you either have to buy their time clocks outright. We found from the Paychex implementation that we actually needed six time clocks, where initially we had received four from Paychex and were going to have buy additional. Six time clocks from TimeClock Plus would have been roughly \$14,000 initial outlay, which is about the equivalent of what we are going to pay under two years of the terms of this lease. Although we won't own them at the end of this lease, with the obsolescence of this type of equipment, we will either be in a position where we will probably want new time clocks or, at the end of two years, we will have evaluated whether or not we want to continue the relationship with TimeClock Plus, and we won't own the clocks. We can simply turn them back in and the two*

years of the lease with Navitas mirrors the link of term with TimeClock Plus. With TimeClock Plus, there's also a monthly charge for the maintenance of the clocks, including firmware updates. So, for the period of time we are with them and leasing the clocks, we will have no exposure in terms of maintenance on the clocks, as well as firmware updates, which essentially would eliminate any short-term obsolescence on those clocks. It was a bit of a flip of the coin on the decision of whether to the lease or buy the clocks outright, but it also tracked better for our budgeted dollars for the balance of the year. If you recall, and I believe it was January 8, 2018, when we originally got approval with this committee for Paychex Plus, the budget ordinance amendment was about \$22,300. For us to come in below the budgeted amount that we had for the balance of this year so we don't have to do any additional budget ordinance, it made sense also to lease the time clocks on a monthly basis rather than an outlay of about \$14,000.

Chairmember Hafner said I guess you'll make note of this, but it says in this lease agreement that it will automatically renew for another 12 months under the same terms unless we notify them in writing in at least 90 days, but no sooner than 180 days. So, make sure we do that because I have seen that bite people in the behind some times because they notify them too late. Mr. Reznicek said right. Understood.

Councilmember David McClain asked how many actual time clocks are we going to have. Chairmember Hafner said it's six. Mr. Reznicek said we would have six time clocks with this arrangement. That was something we found out when we worked with Paychex on the implementation. We originally had set their agreement up with four and we found that that was going to be insufficient for the locations where we were going to want to have them around the city. The other thing we discovered with Paychex was, although they had a phone capability, they did not actually have an app. TimeClock Plus has an actual designed app for Android and IOS. So, their capability is better because we did have some issues on how people were actually going to log in with Paychex that we're not going to have with TimeClock Plus. Councilmember McClain said Arkansas State University uses something to where you have to log in online, so I didn't know if we could look at something like that going forward. I think there are still areas where we use a time clock, but looking at maybe switching to something to where it's online for everybody. I know iPads and phones can be tricky because somebody may clock in from home when they are not at the office, but maybe when they have to wait until they get to office.

Mr. Reznicek said absolutely. That capability exists and to people who report to work, for example, in the Municipal Center, the people for the most part in this building, will clock in from their computer when they get to the office. The systems are sophisticated enough to report to us that that person actually clocked in from their computer based upon web addresses, and it is also sophisticated enough for us to geofence people. In other words, and this might apply to people working out in the field, such as streets, sanitation, Jonesboro Police Department and Jonesboro Fire Department, if you're clocking in from a cellphone, we can actually geofence you. There are two ways. Number one, we can know where you were GPS wise when you clocked in and number two, we can actually restrict you to a 50-foot circumference, or something thereabouts, where you have to be in that zone when you clock-in, or the system will not accept your clock-in. It gives us a lot of flexibility and capability. It also, and we went through a lot of this before with Paychex, but it gives the employees visibility into their time and attendance. It also gives us the capability of doing all of our time off requests online, as well as giving employees a portal access so they can see how much vacation they have taken, how much sick time and when they took it. They can do a request and forward it to their supervisor online. It's substantially a level of sophistication above what we are doing today. I have that as part of my

*presentation. I won't spend as much time since we've talked about it now, but what the inherent cost-saving should be as the result of moving to this type of system. Chairmember Hafner said thank you.*

**A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:103](#)

A RESOLUTION TO CONTRACT WITH ST. BERNARD'S FOR SPONSORSHIP OF ONE FIELD SIGN AT THE JOE MACK CAMPBELL PARK

**Attachments:**     [JOE MACK ST BERNARD](#)

*Chairmember Joe Hafner said before I read this, I just want to clarify that the contract is actually for five years, but in the body of the resolution it says three years. So, if we can update that. City Clerk Donna Jackson said you will have to just make a motion to amend it. Chairmember Hafner asked, so, I need to read it first and then amend it? Councilmember David McClain said yes. Chairmember Hafner said if I could get a motion from someone to amend, but I know about three sections down it says Joe Mack Campbell Parl instead of Park. I think that needs to be amended to Park and then the period needs to be five years. Councilmember John Street said I move to amend Resolution-18:103 to read Park where it says Parl and to amend it to a five-year contract, seconded by Councilmember L.J. Bryant. All voted aye.*

**A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:105](#)

RESOLUTION AUTHORIZING THE MAYOR AND CITY ATTORNEY TO CERTIFY FOR THE CITY OF JONESBORO FOR THE 2018 ANNUAL FEDERAL TRANSIT ADMINISTRATION (FTA) CERTIFICATIONS AND ASSURANCES FOR THE JONESBORO ECONOMICAL TRANSPORTATION SYSTEM (JET)

**Attachments:**     [2018 Certs & Assurances.pdf](#)  
                              [2018 C & A Signature.pdf](#)

**A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:106](#)

A RESOLUTION TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AGREEMENT BETWEEN THE CITY OF JONESBORO THROUGH THE CITIZENS FAIR HOUSING ADVISORY BOARD AND THE ARKANSAS FAIR HOUSING COMMISSION TO COLLABORATE ON AFFIRMATIVELY FURTHERING FAIR HOUSING .



**Attachments:**     [MOU](#)

**A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:107](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Attachments:**     [Amendment Two to COJ 457\(b\) Plan](#)

*Chairmember Joe Hafner said Chief Financial Officer Bill Reznicek notified me this afternoon that he would like to have RES-18:107, RES-18:108 and RES-18:109 temporarily postponed pending further discussion. Councilmember David McClain motioned to temporarily postpone RES-18:107, RES-18:108 and RES-18:109, seconded by Councilmember John Street. All voted aye.*

*Councilmember David McClain motioned, seconded by Councilmember John Street, to pull RES-18:107 from the agenda. All voted aye.*

**A motion was made by Councilperson David McClain, seconded by Councilperson John Street, that this matter be Returned Without Recommendation . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:108](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Attachments:**     [Amendment Three to COJ 457\(b\) Plan](#)  
                                  [Loan Policy](#)

*Councilmember David McClain motioned, seconded by Councilmember John Street, to pull RES-18:108 from the agenda. All voted aye.*

**A motion was made by Councilperson David McClain, seconded by Councilperson John Street, that this matter be Returned Without Recommendation . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

[RES-18:109](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 401 (a) DEFINED CONTRIBUTION PLAN

**Attachments:**     [Amendment Two to 401\(a\)](#)

*Councilmember David McClain motioned, seconded by Councilmember John Street, to pull RES-18:109 from the agenda. All voted aye.*

**A motion was made by Councilperson David McClain, seconded by Councilperson John Street, that this matter be Returned Without Recommendation . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**5. Pending Items**

**6. Other Business**

[COM-18:037](#)

Presentation on cost savings and projects by Chief Financial Officer Bill Reznicek

*Chief Financial Officer Bill Reznicek said I put together a few slides that I am going to talk about what we have done in terms of cost savings projects or some that are in process, and a couple slides recapping other projects that we are working on. It's a bit of a general update on the finance and administration, human resources and information systems area. To start with, I have listed out some of the specific projects that we've been working on. Information Systems Director Jason Ratliff and I have been working on these primarily. The first one is AT&T/Verizon. This relates to mobile data management, primarily phones, mobile communication and data for the police and fire departments. What we are doing is two-fold. We are looking at our spend on cellphones and mobile data devices, and we're also looking at a possible move to FirstNet with AT&T. FirstNet is the network that AT&T has developed under a grant from the federal government and guidance from the federal government that is dedicated to first responders. What we are hoping to do here is possibly transition some of our mobile data management to the FirstNet network. That will do two things. One, it will give our first responders pre-emption and priority in that network. It will also give us a cost savings. We've looked at a cost savings today just simply by moving the service from Verizon to AT&T. We're still evaluating the capabilities that AT&T has to make sure they have the coverage in our area. We are not completely finished with this project. The savings are going to be well-above \$10,000, probably more than that. I don't want to give an exact number today, but it's going to at least be that much in savings on an annual basis, but also give us better response for our first responders. In either case, Verizon also has some pre-emption and priority capabilities that they can give us as well, and through this process Verizon has come back with some improved pricing, and that is who we have our service with today. We have put them in a competitive situation and the end result, regardless of which direction we go, we'll end up with some fairly decent savings as a result of this process. The next one involves AT&T again. This is looking at our overall network and metro connections, along with our Internet connection, which primarily is part of the metro. This is again a two-fold or multi-prong approach where we're looking at not only a savings in terms of what we're spending today. Our system today is with Ritter Communications and we've already discovered that there are some inherent cost savings by moving to AT&T. We feel we'll probably have the same opportunity to go back to Ritter and ask them to look at their pricing. The savings here will be substantial. They'll be substantially more than what I quoted on the first line item. Again, I don't want to give an exact target*

number, but it will be quite a bit of savings here, but it will also give us an additional capability with the AT&T network design. Because we found a couple of months ago, when we had the power line drop downtown and it brought the 9-1-1 center down, when our generator did not kick in, we had no communications for the city, in other words, for the Municipal Center, police department, fire department and all the other locations. The 9-1-1 center is the host of the communications for the Municipal Center. There are two problems with that. If we lose power there, we have no communications. The fire department and police departments were literally on their radios that day. The other problem is we have no way today to reroute that demarcation point. So, the AT&T network design that they're working on gives us the ability to reroute that demarcation instantly, and the plan would be to reroute it to Fire Station No. 1. So, in the event we lost power again, and the generator went down at 9-1-1, we would still have communications for all the city employees. It's an important project and process not just from an economic standpoint, but also from a disaster recovery standpoint. The next meeting we have with AT&T, I think in a couple of weeks, is to finalize their network plans. So, this is one that we'll have resolved and have a plan probably sometime late September. I can come back, report to you with the final result and savings, and give you a more detailed report on that.

Chairmember Hafner said Mr. Reznicek, sorry to interrupt you, but on that one, and I'm not going to put you on the spot for an exact number, but do you think it's five digits or do you think it's like high five digits or mid-five digits. Mr. Reznicek said it's going to be less than \$100,000, but it's going to be in the \$50,000 to \$100,000 range, of what our estimate is today. When you add the savings on this, the savings on the top line, and the savings on the third line, which I'm about to talk about, it gets into a substantial amount of money. It gets into well over \$100,000 at that point.

Mr. Reznicek said the next bullet point is the VoIP System. Although it's voice over Internet today, I consider it a legacy system because it's a very old VoIP System. The altigen software is no longer supported, the handsets are no longer supported for the employees or the desk sets, and the servers that that system runs on are no longer supported. So, from that perspective it's really a legacy system. This is the phone system we have in the Municipal Center on everybody's desk. We have 255 desk sets throughout the city that ride on this system. We've had a number of problems with this in the past year, at least since I have been here, and since it's a system that is no longer supported from an architectural standpoint, in other words, the desk sets and servers, then it's time for us to upgrade. In looking at this process, we've found some vendors that can supply cloud-based phone systems and complete change out of our equipment and save again somewhere in the \$75,000 to \$125,000 per year range of savings that we're going to realize. It's a pretty substantial savings here and it also gives us upgraded and improved technology. The systems today, although the one we have today is fairly decent, the ones that are online now are a lot more robust and have a lot more reporting features in them.

Mr. Reznicek said the last bullet point here is not one that you can really derive a specific dollar cost savings, but it's a tremendous cost avoidance. I'll explain that after I explain what we did. We did what's called an IT Pen Test. It's a penetration test. We hired a consulting company and they did a few things. One, they have expert hackers who work for them and they tried to hack our system. They came in unannounced into our system. The Pen Test, I should point out, was on a need to know basis and as far as I know there were only three of us that were aware that this was happening. Mr. Ratliff, Information Systems Engineer Dennis Trinidad and myself are the only people in the city, that we're aware of, that knew that this entire Pen Test was taking place. This company tried to hack our system. They were not capable of hacking it, which

was a good thing. In the second phase, we opened up access to them to see, had they been able to hack our system, what vulnerabilities we had, assuming that maybe someone even more sophisticated than their people could hack it. We at least wanted to find out if they did, where we were vulnerable. They did find some vulnerabilities, primarily, in terms of passwords. We found some people were using their last name as their passwords and things of that nature. The user ID and the password were intuitive. Somebody could have figured that out. Also, they used the dictionary method, which uses a combination of words in the dictionary as passwords, and that's a no-no because algorithms that hackers run can run an entire dictionary sorted every way you can imagine in just a matter of seconds, today. So, what we have done is we've shored up our password requirements in our system and made them a lot more sophisticated and notified, obviously, the people who had weak passwords. The next thing we did, and this is probably the most interesting part of it, we actually did drops. We dropped thumb drives throughout the buildings. They were dropped on the floor. They would be sitting in the breakroom on a table to see if somebody would pick it up and put it in their computer. When they put the drive in the computer, it phoned home and it told the company that somebody had put it in their computer, if they opened the file and if they clicked on the macro in the file that said click here for more, or whatever. We did have some people who went all the way through clicking the macro. Those people were notified of what happened and that they fell vulnerable to our test. The next part of it was vishing, which is voice contact where people get you to divulge information so they have people pose as Ritter Communications employees who called down and said for example, so and so, whatever the employee's name is, it's been reported there's a problem with the Internet. Your Internet is slow. There's some network issues. Will you help me identify where it's at? Let's get you to log into this website. We're going to do a speed test. We had people fall for that. So, we sent out communications on how to react to external calls, contacts for information related to system-type of issues, which we do periodically, as well, send out hacking avoidance e-mails. The next part was a phishing test. That first was a vishing test, and the other was a phishing test, where they send e-mails camouflaged that would be hard to identify otherwise. They looked like FedEx and UPS communications saying the City of Jonesboro has a package scheduled for delivery tomorrow. Please click this link for a tracking number and information. We had several people that followed that link and had it been an actual attack would have subjected our network to infiltration.

Mr. Reznicek said the point of this test is two-fold. One, obviously, it's to train our employees, which we will do because part of this process and part of what we paid that company for is to give us training modules. This all finished up fairly recently so we're going to send that out to the employees and give them additional training on how to avoid these types of situations. The whole gist of this is to avoid the issue of ransomware. That's how ransomware happens is through vishing and phishing primarily, or the drop with the thumb drives where something like that maliciously infiltrates our system. Most of you have probably read about this ransomware storage where people have to pay a substantial amount to get their data back. I won't get into that in a lot of detail, but the whole point is that we need to devise a ransomware plan. We don't really have one today of how we would respond if that were to happen. Those are some things we did, and the last one it's hard to put a dollar savings on that, but it's a substantial cost avoidance. I think we learned a lot from going through that process.

Mr. Reznicek said the next slide I have talks about some more projects we're working on. The first one is discounts from vendors. What we're already doing is looking at vendors to see if they have discount terms. I have asked Purchasing Agent Steve Kent as he talks to vendors, issues purchase orders and engages them to ask them if they offer discounts. Typically, you see like a 210 net 30, 215 net 45 type of terms

*from vendors and, with the cost of money today, it's to our benefit to take discounts whenever we can. In the past, we haven't done this on a proactive basis. We haven't tracked it certainly. So, I've asked Finance Manager Trever Harvey and Accounts Payable Specialist Teresa Shaver also to begin when they do invoicing and process invoices for payments to load discount terms into Springbook and make sure we are capturing that and we can report on that at the end of the year, or periodically through the year we can report on how much we've captured in early paid discounts.*

*Mr. Reznicek said the next slide is contracts review and this is something we've been doing for several months now. This is literally taking every contract that the city has active today and putting it on a spreadsheet. It goes back a little bit to what Chairmember Hafner was talking about earlier on the notification to Navitas with the lease we are going to have on the TimeClock Plus system. It has the expiration date of the contract on the spreadsheet so we can sort that and look at contracts that are going to expire in the next 30 or 90 days and be proactive on that. The other thing that it has done is given us a repository for all the contracts, although they are on Legistar, we have actually created a binder with all the contracts that is indexed to that spreadsheet. It gives you an easy way that if you're looking through the spreadsheet you can take the three-ring binder and flip through and find that contract right there. Through the process of that, some things have come out, for example, the lease was up on June 30, 2017, for the people on the third floor. They had been paying rent every month but they hadn't paid the escalated amount. Under the terms of the contract, their rent escalated 150% on July 1, 2017, but nobody ever caught that. So, we caught that in reviewing the contract and they said sure, you're right, it does say that and they sent us a check for \$4,200. Within 30 days, we had the check. In the course of that, we talked to them about how much longer they intended to stay since their lease was technically up. They said they wanted to stay a little longer. I asked them if they would be interested in moving because we have a space in the basement that is equivalent to the space size they are in now and the office they are in on the third floor is a much more attractive use for the city than the space in the basement. It's prime real estate, really. They agreed to move to the basement at the same escalated lease rate they are paying today. So, not only did we collect the escalated lease amount, we also have gotten them to agree to move to the basement space and give us back that third floor office space, which is, like I said, prime real estate for our people in planning and inspections.*

*Mr. Reznicek said some other things we found, for example, was there were a lot of people buying Adobe license through the city where we can get that under one umbrella-type of license and we'll save some money on next year's renewals as we go through that process. GIS software is the same thing. We were buying license for GIS software in two locations in the city. We talked to GIS folks and they said yes, you are right. You are doing that. They couldn't do anything this year because we'd already renewed the license, but next year, it's not a huge savings, but it's about \$600 we'll save by consolidating that. As little things add up, I suspect there will be more of that that flushes out as time goes on as we continue that process.*

*Mr. Reznicek said the next item on there is a PEG channel solution under Ritter Communications. Under the Ritter Franchise Agreement, one of the items in there was there requirement to provide funding in lieu of a PEG channel, the Public Education Government Access Channel that we currently have with Suddenlink. So, that had never been paid or resolved going back 10 years. When we met with them initially, the conversation was basically one of well, we can't make the determination because of the language in the franchise agreement that talks about it's based upon Ritter's viewership, in relation to Suddenlink's viewership, and nobody knows what those*

numbers are. They staved off any conversation about it using the idea that it wasn't a calculable number and they also said it wasn't a significant number in their mind. So, we did some work. This is where Deanna Hornback had come in and done some work and was involved in the final resolution of this just last week, as well, but we did get some statistics on Suddenlink, the best we could on Suddenlink's subscribership. Ritter gave us their subscribership, and we came up with a computation based upon what a general cost of an access channel would be. We came up with a number over the 10 years that they owed us of about \$30,000. They came in initially in the meeting and said they thought they owed us about \$3,000. Through the course of that, looking at their calculation, it really didn't follow the language of the agreement, so we ended back up at our number and they agreed to that. As a result, they brought in a long list of philanthropic things they had done over the years and we gave them credit for the police dog that they bought the city about 18 months ago. We said yes, we recognize that you did provide that so we'll give you credit for that. They're going to be funding us about \$20,000 as a resolution of that and we'll be collecting that either in a payment of approximately \$3,000 per year going forward or in-kind services for Communication Director Bill Campbell's department and helping them upgrade their production equipment to hopefully high-definition. So, that is one of the things we are working on with them.

Mr. Reznicek said the next slide I have is of some other projects we're working on. We are working on a pay portal. This will give literally everyone who does business with the Collections Department the ability to pay through our website and online portal. For example, most of us today have gone places and made payments online where it says you can pay by e-check or credit card and then they will tell you there is a convenience fee. That is typically what you find when you pay the government, such as when you go to the Secretary of State Mark Martin's website and you're paying some type of licensing LLC fee or whatever. There will be a convenience charge. So, there won't be any cost to the city, but what it will do is give people the ability to pay online where today they have to come to the window, mail a check, come with cash or call with a credit card number. This will be much more efficient for the department and we should, in theory, get our money a lot faster. When people can do this, they tend to pay more promptly. Chairmember Hafner said it's better customer service, too.

Mr. Reznicek said the next one is the time clock system. We talked about that one so I won't go into any more detail on that unless you have any more questions. We are also looking into the budgeting process for next year. One of the things that we are going to do is bifurcate the parks budget so that we can get better reporting by individual unit. For example, we're going to have Joe Mack Campbell Park as a subsection of the budget. We're going to have Southside as a subsection. We're going to have urban parks as one segment. We're going to have the pool as a segment. That way we can look at revenues. We can look at expenses and essentially do a little P&L on each area of the parks. We can look at how much we are making out of camping. What is our cost in the camping area at Craighead Forest Park? So, I think it will give us better reporting, better visibility and better ability to analyze what is going on. We are also going to pull Communications out of the Mayor's department where it is lumped in today. It's hard to get visibility into who is spending what in that department. I think that will give them better tools for budgeting and probably better cost control at the same time. We recently did a project of streamlining cash operations with the parks. They had a number of issues. I won't get into a lot of detail on it. It was primarily focused on employee safety, because of the amounts of cash that they are handling, as well as more efficient operation of getting the cash in the bank and getting it reported to Collections. In the past, that was all coming to Collections in a dropbox outside of the Collections office and then, literally, if you go down there on a

*Monday morning sometimes, they would have baggies full of cash sitting on their desk trying to count all that cash. That made no sense. We now have the employees from the Parks Department and the pool doing drops at the bank directly with bank bags. The bank counts it in the morning and generally before the Collections people even get to work, they already have the count from the bank and the report, the z-out report from the cash register. It's just a lot more efficient and a lot safer for our employees.*

*Mr. Reznicek said we're looking at a sales tax module for Springbook for next year's budget. It is fairly inexpensive. It's about \$2,700 for the module. This will give us reporting in Springbook for our alcohol beverage control (ABC) tax and our hotel/motel tax. One of the things Ms. Hornback's work uncovered was a couple errors in the ABC tax. We had one business that had not reported. It was a little over \$7,000. They have since paid. They had never reported since they opened. We had another business that underpaid us by about \$1,500. This will eliminate that and it will also give us substantially better reporting on our ABC and our hotel/motel tax, and both of those areas are growing in numbers of people who are reporting. We have between 55 and 60 private club licenses reporting and we have between 20 and 25 hotel/motel reporting for A&P tax today. So, that's continuing to grow. It's becoming unmanageable on an Excel spreadsheet or a notepad. We need something to automate it and again this module, I believe, is \$2,700 in Springbook. It's really totally inexpensive. We're going to put that in next year's budget as a line item. I'm looking, probably fourth quarter, at having a reverse audit done on sales tax. This firm will come in and look at what we have paid in sales tax as a city on purchases. They generally can find cost savings, recovery with sales tax. They'll file an amendment with the state as a contingency basis, and typically take one-third of your recovery as their fee once it goes through audit and you actually recover the money. It's hard to quantify how much savings we will see out of that. I have done this in other places and there has always been savings.*

*Mr. Reznicek said the last one is just a note on the 5G ordinance. We have been working on small cell technology with AT&T and Verizon. This is a technology that is going to allow them to broadcast 5G in the city, which is the next generation, which the "G" stands for the next generation of cell transmission. It's part of the LTE, long-term evolution, of cellular communication. This will give about a seven- to 10-fold increase in speed and capability for people on their cell phone and data transmission. We were working on that independently based primarily on looking at what other cities have done, but we did recently join the AML. They have a group that is working on this collectively, so we're going to become part of that AML group. Councilmember McClain said you're saying we won't work with them directly, AT&T. We won't work with them directly? We will just go through AML? Mr. Reznicek said well, we're going to work with AML, but we're all going to try to come up with a common framework. Councilmember McClain said okay. Mr. Reznicek said we would then be working with AT&T in the final resolution. We're cooperating with everyone, but we want to make sure we do what is in the best interest of the city.*

*Mr. Reznicek said I thought I would touch on a couple things with Human Resources. We are going to make some changes to the NestEgg program. We did pull those resolutions today. There were some things we wanted to modify. Kind of a last minute decision, but we will bring those back on. We're going to offer some amendments to when you can enroll and when you can make changes in the amount that you're contributing. We also are going to offer a long provision in the plan. That's primarily one that we wanted to modify some of the language that we had in the resolution that you saw today. We actually have a meeting with First Security Bank on Tuesday. We're going to go through some of those changes, get that sured-up and then we'll bring that back into the next committee meeting. Human Resources Director Dewayne*

*Douglas and I are already working on the renewal health insurance. We've talked to Blue Cross Blue Shield. We've talked to other companies, as well. So, we're going to get competitive quotes on that again this year. We should have the first half of the year's loss ratio probably sometime by the end of this month, and that will give us a pretty good barometer of what we will likely see in terms of any potential increases. We are also looking at some additional employee supplemental insurance. This is an effort to bring additional offerings to the employees. One thing that we did and I don't know if it was ever reported to any of the committees or the council, but we had Hospital Wing and AirEvac come in and we offered the employees an opportunity to buy those services at a very discounted rate so that employees could sign up for that. It was like \$40 or \$60 per year, but then you would be covered under an evacuation by helicopter, where insurance typically wouldn't pay for that. It's about a \$30,000 to \$35,000 helicopter ride if you don't have insurance coverage, which most people do not. By buying into the membership, you're automatically covered and they take whatever your insurance will pay. That was a pretty substantial benefit for the employees and we did allow the employees to do that via payroll deduction, as well. We're also looking at some revisions to the employee handbook. We should have those done probably by the end of August, primarily in the area of some of our sick benefits and some other revisions. We're going to add in some templates on vacation and sick accrual times. So, you should see that revision coming out sometime shortly.*

*Mr. Reznicek said the last slide I have talks about the budget process for 2019. I have talked a little bit about that. We've put out a schedule. My plan for the budgeting process this year is to schedule meetings with each of the departments individually. I have asked them to do as formal as possible, preferably PowerPoint presentations, to the group as they each come in individually and present to us their plan for their department, as well as their budget for the following year. Once we go through those initial meetings by department, we will then consolidate that, we'll review it and then we'll go back to the departments and give them targeted changes that we would like to see in their budget, but give them the opportunity to choose where they would like to make those changes. We would give them the discretion of how they want to, if needed, adjust their budget. We would have them come back again, present their revised budget and we would then come back to them with feedback, and give them about a five-day rebuttal period. Then at that point, we will consolidate the budget, do another review, and, based upon the timeline that I have set up, that will put us about the end of October. At this time, we'll be in the process of preparing the final submission for the Finance Committee to eventually go to Council, and hopefully to be approved by the end of November.*

*Mr. Reznicek said the next thing I want to talk about is staff and take the opportunity to recognize and thank my staff, which includes Grants, Collections, Human Resources, Information Systems, the Land Bank Commission, Finance and Purchasing. So, I have quite a few people working for me and they're all doing an outstanding job. The one thing I will say and would like to point out is that when you look at the things that we are doing, the things we're working on and the things we have accomplished, we are very lean in a lot of these areas. We're operating in Finance with one payroll person, one payables person, one purchasing person, an accountant, a finance manager, and a budget manager. In the private sector for somebody with a \$65 million budget and 600 employees and two people in HR, they would look at that and say, that's pretty lean. That's pretty efficient. So, I just want to recognize them for their work. The Grants Department is the same way. They are very lean. They put out a lot of work, do a lot of great things. Human Resources has two people for 600 employees. They are doing an excellent job for the things they are working on and things they are doing with the staff that they got.*



*Mr. Reznicek said the last point on here, I have talked to Mayor Harold Perrin about this and I've talked to Legislative Audit about this. Because of the growth in the city, the size we are at, the complexity of our budget and the size of our budget, we think it warrants looking at having an internal auditor for the city. This position is something I'm going to propose in the budget for next year. The position would report conceivably either to the Council or to the Finance Committee. The chairmember of the Finance Committee would probably be the appropriate reporting structure with a dotted line to the Chief Financial Officer because we would be working in collaboration with either the Finance Committee or the Council with this individual. They would be independent of the Mayor and myself to the extent possible. They also would be someone under the direction of Legislative Audit to the extent that they wanted to give them guidance and training and a structure of what to do. In some cases, Legislative Audit should be able to rely on work that they do in areas such as an internal control review, but they'll also be able to do a lot of operational efficiency work for us. The Finance Committee, the council or myself can give them guidance such as we want you to go look at operational efficiency in this area and they'll come back and report to the Finance Committee and the Council. It's something again that there has been some discussion of and because of the size, the scope of our budget and the nature of the things that we're doing, it just makes a lot of sense for us to seriously consider adding this position. It could conceivably be a contracted position, at least the first year, possibly not a full-time employee. We will just have to make the determination if everybody is in agreement in doing it, how much dollars we want to budget the first year until we get a feel for how much work there will be, and whether or not we want to turn this into a full-time position maybe in the following year's budget.*

*Chairmember Hafner said Mr. Reznicek, I really appreciate you doing this, and I think it's very important that the Council knows what all you all are working on, and, also, that we show the public that we are not always adding to the budget even though sometimes it looks like that. I could understand why people would think that, but there's a lot going on and you've been real instrumental in pushing for all these cost savings and leaving no stone unturned. I just think it's important. Obviously, Mayor Perrin has mentioned that we will have some challenges coming up. We have to make sure we're taking care of every dollar and being responsible and stretching it as far as we can to still do the things that we need to do for Jonesboro to not only keep it where it is, but make it better. I appreciate all this work a lot. I have been harping on it and people are probably getting tired of hearing me say it, but we have to have a plan and we have to stick to that plan and make sure everything we're doing helps that plan be successful. Things like this are very important in that. I think it's also showing and helped illustrate to us that we're getting a return on things, such as hiring Ms. Hornback. I'm not sure what all she has found on the Suddenlink stuff she's looking at, but \$20,000 here, \$5,000 there, that's a good return on the amount of money we're spending on her. Without her, we probably wouldn't have some of these savings. So, I appreciate that.*

*Mr. Harold Carter, 902 Tony Drive, Jonesboro, said on this 9-1-1 system going down, maybe I didn't pay much attention to that or I don't know how it was reported, but it didn't sink in too deeply, but I just have one question. How did this affect the public's ability to call the city? Mr. Reznicek said I can address that. I should have covered that earlier. I did mention that the police and fire departments were utilizing handheld radios. Although, our 9-1-1 system does have another redundancy when it goes down those calls roll over. I can't and I don't think anybody else in here knows which county, but one of the other counties takes those calls and then they still are able to contact us via radio. There wasn't any loss of communication in terms of the public calling in.*

*They were still able to call in and they do still have a couple of analog lines. They lost communication that affected their ability to communicate the network out, but they didn't lose communication completely with the public. I should have clarified that earlier. It did not put anybody in any imminent risk that they would not be able to respond to a police or fire call. Chairmember Hafner said thank you very much everybody.*

**Read**

**7. Public Comments**

**8. Adjournment**

**A motion was made by Councilperson LJ Bryant, seconded by Councilperson John Street, that this meeting be Adjourned . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman



Legislation Details (With Text)

**File #:** ORD-18:050    **Version:** 1    **Name:** ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF JUSTICE TO ACCEPT THE FY2017 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD AND AMEND THE 2018 BUDGET

**Type:** Ordinance    **Status:** To Be Introduced

**File created:** 7/16/2018    **In control:** Finance & Administration Council Committee

**On agenda:**    **Final action:**

**Title:** AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF JUSTICE TO ACCEPT THE FY2017 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD AND AMEND THE 2018 BUDGET

**Sponsors:** Grants, Finance

**Indexes:** Budget amendment, Grant

**Code sections:**

**Attachments:** [Grant Award JAG FY 2017 DJ-BX0833](#)  
[FY 2017 JAG Program Budget Narrative](#)

Date	Ver.	Action By	Action	Result
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AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF JUSTICE TO ACCEPT THE FY2017 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD AND AMEND THE 2018 BUDGET

WHEREAS, the City of Jonesboro was awarded the 2017 Justice Assistance Grant (JAG) Program award in the amount of \$32,217.00 with no local match requirement; and

WHEREAS, the City of Jonesboro, as a disparate city, has entered into a Memorandum of Understanding with Craighead County; and

WHEREAS, the City of Jonesboro will accept the grant in the amount of \$32,217.00 as well as all accounting and reporting responsibilities for said grant; and

WHEREAS, the City of Jonesboro will use said funds for scanners, printers, printer supplies and vehicle mounts for 35 police cruisers to utilize the e-ticket system provided by the Arkansas State Police for patrol operations; and

WHEREAS, the City of Jonesboro passed the 2018 Budget in Ordinance Number 17:087, which had preliminary budget amounts in the Federal Funds budget for the JAG Program and will need to be amended in order to reflect the actual awarded amount; and

WHEREAS, the budgeted expenditure changes will consist of the following:

09-954-0209-00	Travel & Training	(2,747.00)
09-954-0217-00	Administrative Cost	(411.00)
09-954-0224-01	Office Supplies	2,268.00

09-954-0232-01	Minor Equipment & Furniture	(4,759.80)
09-954-0296-00	Computer Software	(2,047.00)

WHEREAS, the budgeted revenue changes will consists of the following:

09-954-0662-00	Federal Funding - DOJ	(7,696.80)
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WHEREAS, said budget savings of \$7,696.80 will be transferred back to the General Fund Excess Reserves from the Federal Funds Fund.

NOW THEREFORE, BE IT ORDAINED by the City Council of Jonesboro, Arkansas that:

SECTION 1: The City of Jonesboro will enter into an agreement with the Department of Justice to accept the 2017 Justice Assistance Grant (JAG) Program award for \$32,217.00 for equipment and supplies related to the e-ticket system provided by the Arkansas State Police for patrol operations.

SECTION 2: The Mayor and City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate said agreement.

SECTION 3: The 2018 Budget is hereby amended to provide a change in the Federal Funds Budget for the 2017 Justice Assistance Grant (JAG) Program award.



U.S. Department of Justice

Office of Justice Programs

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Office of the Assistant Attorney General

Washington, D.C. 20531

June 26, 2018

The Honorable Harold Perrin  
City of Jonesboro  
515 West Washington Avenue  
Jonesboro, AR 72401-2779

Dear Mayor Perrin:

On behalf of Attorney General Jefferson Sessions III, it is my pleasure to inform you that the Office of Justice Programs has approved your application for funding under the FY 17 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation in the amount of \$32,217 for City of Jonesboro.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:

- Program Questions, Olga Santiago, Program Manager at (202) 598-1094; and
- Financial Questions, the Office of the Chief Financial Officer, Customer Service Center (CSC) at (800) 458-0786, or you may contact the CSC at [ask.ocfo@usdoj.gov](mailto:ask.ocfo@usdoj.gov).

Congratulations, and we look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Alan R. Hanson". The signature is written in a cursive, slightly slanted style.

Alan R. Hanson  
Principal Deputy Assistant Attorney General

Enclosures



## OFFICE FOR CIVIL RIGHTS

Office of Justice Programs

U.S. Department of Justice

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June 26, 2018

The Honorable Harold Perrin  
City of Jonesboro  
515 West Washington Avenue  
Jonesboro, AR 72401-2779

Dear Mayor Perrin:

Congratulations on your recent award. In establishing financial assistance programs, Congress linked the receipt of federal funding to compliance with federal civil rights laws. The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ) is responsible for ensuring that recipients of financial assistance from the OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW) comply with the applicable federal civil rights laws. We at the OCR are available to help you and your organization meet the civil rights requirements that come with DOJ funding.

### **Ensuring Access to Federally Assisted Programs**

Federal laws that apply to recipients of financial assistance from the DOJ prohibit discrimination on the basis of race, color, national origin, religion, sex, or disability in funded programs or activities, not only in employment but also in the delivery of services or benefits. A federal law also prohibits recipients from discriminating on the basis of age in the delivery of services or benefits.

In March of 2013, President Obama signed the Violence Against Women Reauthorization Act of 2013. The statute amends the Violence Against Women Act of 1994 (VAWA) by including a nondiscrimination grant condition that prohibits discrimination based on actual or perceived race, color, national origin, religion, sex, disability, sexual orientation, or gender identity. The new nondiscrimination grant condition applies to certain programs funded after October 1, 2013. The OCR and the OVW have developed answers to some frequently asked questions about this provision to assist recipients of VAWA funds to understand their obligations. The Frequently Asked Questions are available at <http://ojp.gov/about/ocr/vawafaqs.htm>.

### **Enforcing Civil Rights Laws**

All recipients of federal financial assistance, regardless of the particular funding source, the amount of the grant award, or the number of employees in the workforce, are subject to prohibitions against unlawful discrimination. Accordingly, the OCR investigates recipients that are the subject of discrimination complaints from both individuals and groups. In addition, based on regulatory criteria, the OCR selects a number of recipients each year for compliance reviews, audits that require recipients to submit data showing that they are providing services equitably to all segments of their service population and that their employment practices meet equal opportunity standards.

### **Providing Services to Limited English Proficiency (LEP) Individuals**

In accordance with DOJ guidance pertaining to Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, recipients of federal financial assistance must take reasonable steps to provide meaningful access to their programs and activities for persons with limited English proficiency (LEP). See U.S. Department of Justice, Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, 67 Fed. Reg. 41,455 (2002). For more information on the civil rights responsibilities that recipients have in providing language services to LEP individuals, please see the website <http://www.lep.gov>.

### **Ensuring Equal Treatment for Faith-Based Organizations**

The DOJ regulation, Equal Treatment for Faith-Based Organizations, 28 C.F.R. pt. 38, requires State Administering Agencies (SAAs) to treat faith-based organizations the same as any other applicant or recipient. The regulation prohibits SAAs from making awards or grant administration decisions on the basis of an organization's religious character or affiliation, religious name, or the religious composition of its board of directors.

The regulation also prohibits faith-based organizations from using financial assistance from the DOJ to fund inherently (or explicitly) religious activities. While faith-based organizations can engage in non-funded inherently religious activities, they must hold them separately from the program funded by the DOJ, and recipients cannot compel beneficiaries to participate in them. The Equal Treatment Regulation also makes clear that organizations participating in programs funded by the DOJ are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion. For more information on the regulation, please see the OCR's website at [http://www.ojp.usdoj.gov/about/ocr/equal\\_fbo.htm](http://www.ojp.usdoj.gov/about/ocr/equal_fbo.htm).

SAAs and faith-based organizations should also note that the Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968, as amended, 42 U.S.C. § 3789d(c); the Victims of Crime Act of 1984, as amended, 42 U.S.C. § 10604(e); the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, 42 U.S.C. § 5672(b); and VAWA, Pub. L. No. 113-4, sec. 3(b)(4), 127 Stat. 54, 61-62 (to be codified at 42 U.S.C. § 13925(b)(13)) contain prohibitions against discrimination on the basis of religion in employment. Despite these nondiscrimination provisions, the DOJ has concluded that it may construe the Religious Freedom Restoration Act (RFRA) on a case-by-case basis to permit some faith-based organizations to receive DOJ funds while taking into account religion when hiring staff, even if the statute that authorizes the funding program generally forbids recipients from considering religion in employment decisions. Please consult with the OCR if you have any questions about the regulation or the application of RFRA to the statutes that prohibit discrimination in employment.

### **Using Arrest and Conviction Records in Making Employment Decisions**

The OCR issued an advisory document for recipients on the proper use of arrest and conviction records in making hiring decisions. See Advisory for Recipients of Financial Assistance from the U.S. Department of Justice on the U.S. Equal Employment Opportunity Commission's Enforcement Guidance: Consideration of Arrest and Conviction Records in Employment Decisions Under Title VII of the Civil Rights Act of 1964 (June 2013), available at [http://www.ojp.usdoj.gov/about/ocr/pdfs/UseofConviction\\_Advisory.pdf](http://www.ojp.usdoj.gov/about/ocr/pdfs/UseofConviction_Advisory.pdf). Recipients should be mindful that the misuse of arrest or conviction records to screen either applicants for employment or employees for retention or promotion may have a disparate impact based on race or national origin, resulting in unlawful employment discrimination. In light of the Advisory, recipients should consult local counsel in reviewing their employment practices. If warranted, recipients should also incorporate an analysis of the use of arrest and conviction records in their Equal Employment Opportunity Plans (EEOs) (see below).

### **Complying with the Safe Streets Act**

An organization that is a recipient of financial assistance subject to the nondiscrimination provisions of the Safe Streets Act, must meet two obligations: (1) complying with the federal regulation pertaining to the development of an EEO (see 28 C.F.R. pt. 42, subpt. E) and (2) submitting to the OCR findings of discrimination (see 28 C.F.R. §§ 42.204(c), .205(c)(5)).

### **Meeting the EEOP Requirement**

If your organization has less than fifty employees or receives an award of less than \$25,000 or is a nonprofit organization, a medical institution, an educational institution, or an Indian tribe, then it is exempt from the EEOP requirement. To claim the exemption, your organization must complete and submit Section A of the Certification Form, which is available online at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

If your organization is a government agency or private business and receives an award of \$25,000 or more, but less than \$500,000, and has fifty or more employees (counting both full- and part-time employees but excluding political appointees), then it has to prepare a Utilization Report (formerly called an EEOP Short Form), but it does not have to submit the report to the OCR for review. Instead, your organization has to maintain the Utilization Report on file and make it available for review on request. In addition, your organization has to complete Section B of the Certification Form and return it to the OCR. The Certification Form is available at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

If your organization is a government agency or private business and has received an award for \$500,000 or more and has fifty or more employees (counting both full- and part-time employees but excluding political appointees), then it has to prepare a Utilization Report (formerly called an EEOP Short Form) and submit it to the OCR for review within sixty days from the date of this letter. For assistance in developing a Utilization Report, please consult the OCR's website at <http://www.ojp.usdoj.gov/about/ocr/eeop.htm>. In addition, your organization has to complete Section C of the Certification Form and return it to the OCR. The Certification Form is available at <http://www.ojp.usdoj.gov/about/ocr/pdfs/cert.pdf>.

To comply with the EEOP requirements, you may request technical assistance from an EEOP specialist at the OCR by telephone at (202) 307-0690, by TTY at (202) 307-2027, or by e-mail at [EEOsubmission@usdoj.gov](mailto:EEOsubmission@usdoj.gov).

### **Meeting the Requirement to Submit Findings of Discrimination**

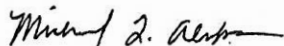
If in the three years prior to the date of the grant award, your organization has received an adverse finding of discrimination based on race, color, national origin, religion, or sex, after a due-process hearing, from a state or federal court or from a state or federal administrative agency, your organization must send a copy of the finding to the OCR.

### **Ensuring the Compliance of Subrecipients**

SAAs must have standard assurances to notify subrecipients of their civil rights obligations, written procedures to address discrimination complaints filed against subrecipients, methods to monitor subrecipients' compliance with civil rights requirements, and a program to train subrecipients on applicable civil rights laws. In addition, SAAs must submit to the OCR every three years written Methods of Administration (MOA) that summarize the policies and procedures that they have implemented to ensure the civil rights compliance of subrecipients. For more information on the MOA requirement, see [http://www.ojp.usdoj.gov/funding/other\\_requirements.htm](http://www.ojp.usdoj.gov/funding/other_requirements.htm).

If the OCR can assist you in any way in fulfilling your organization's civil rights responsibilities as a recipient of federal financial assistance, please contact us.

Sincerely,



Michael L. Alston  
Director

cc: Grant Manager  
Financial Analyst





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1. RECIPIENT NAME AND ADDRESS (Including Zip Code) City of Jonesboro 515 West Washington Avenue Jonesboro, AR 72401-2779		4. AWARD NUMBER: 2017-DJ-BX-0833	
		5. PROJECT PERIOD: FROM 10/01/2016 TO 09/30/2020 BUDGET PERIOD: FROM 10/01/2016 TO 09/30/2020	
2a. GRANTEE IRS/VENDOR NO. 716013749		6. AWARD DATE 06/26/2018	7. ACTION Initial
2b. GRANTEE DUNS NO. 073540288		8. SUPPLEMENT NUMBER 00	
3. PROJECT TITLE Jonesboro E-Citation and E-Crash Program		9. PREVIOUS AWARD AMOUNT	\$ 0
		10. AMOUNT OF THIS AWARD	\$ 32,217
		11. TOTAL AWARD	\$ 32,217
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).			
13. STATUTORY AUTHORITY FOR GRANT This project is supported under FY17(BJA - JAG State and JAG Local) Title I of Pub. L. No. 90-351 (generally codified at 42 U.S.C. 3711 - 3797ff-5), including subpart I of part E (codified at 42 U.S.C. 3750 - 3758); see also 28 U.S.C. 530C(a).			
14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number) 16.738 - Edward Byrne Memorial Justice Assistance Grant Program			
15. METHOD OF PAYMENT GPRS			
AGENCY APPROVAL		GRANTEE ACCEPTANCE	
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Alan R. Hanson Principal Deputy Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Harold Perrin Mayor	
17. SIGNATURE OF APPROVING OFFICIAL 		17. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL	19A. DATE
AGENCY USE ONLY			
20. ACCOUNTING CLASSIFICATION CODES FISCAL YEAR FUND CODE BUD. ACT. DIV. OFC. REG. SUB. POMS AMOUNT X B DJ 80 00 00 32217		21. SDJUGT1043	



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*SPECIAL CONDITIONS*

1. Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any certifications or assurances submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Failure to comply with any one or more of these award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or a certification or assurance related to conduct during the award period -- may result in the Office of Justice Programs ("OJP") taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. The Department of Justice ("DOJ"), including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 42 U.S.C. 3795a), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

2. Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this FY 2017 award from OJP.

The Part 200 Uniform Requirements were first adopted by DOJ on December 26, 2014. If this FY 2017 award supplements funds previously awarded by OJP under the same award number (e.g., funds awarded during or before December 2014), the Part 200 Uniform Requirements apply with respect to all funds under that award number (regardless of the award date, and regardless of whether derived from the initial award or a supplemental award) that are obligated on or after the acceptance date of this FY 2017 award.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the OJP website at <https://ojp.gov/funding/Part200UniformRequirements.htm>.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

3. Compliance with DOJ Grants Financial Guide

The recipient agrees to comply with the DOJ Grants Financial Guide as posted on the OJP website (currently, the "2015 DOJ Grants Financial Guide" available at <https://ojp.gov/financialguide/DOJ/index.htm>), including any updated version that may be posted during the period of performance.



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*SPECIAL CONDITIONS*

4. Required training for Point of Contact and all Financial Points of Contact

Both the Point of Contact (POC) and all Financial Points of Contact (FPOCs) for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2015, will satisfy this condition.

In the event that either the POC or an FPOC for this award changes during the period of performance, the new POC or FPOC must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after-- (1) the date of OJP's approval of the "Change Grantee Contact" GAN (in the case of a new POC), or (2) the date the POC enters information on the new FPOC in GMS (in the case of a new FPOC). Successful completion of such a training on or after January 1, 2015, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at <https://www.ojp.gov/training/fmts.htm>. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

5. Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

6. Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.



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7. Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov/>. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at <https://ojp.gov/funding/Explore/SAM.htm> (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

8. All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP web site at <https://ojp.gov/funding/Explore/SubawardAuthorization.htm> (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

9. Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed \$150,000

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$150,000). This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP web site at <https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$150,000)), and are incorporated by reference here.



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*SPECIAL CONDITIONS*

10. Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at <https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

11. Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "2015 DOJ Grants Financial Guide").

12. Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

13. OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <https://ojp.gov/funding/ojptrainingguidingprinciples.htm>.

14. Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

15. Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.



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16. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

17. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

18. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38, specifically including any applicable requirements regarding written notice to program beneficiaries and prospective program beneficiaries. Part 38 of 28 C.F.R., a DOJ regulation, was amended effective May 4, 2016.

Among other things, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38 also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations.

The text of the regulation, now entitled "Partnerships with Faith-Based and Other Neighborhood Organizations," is available via the Electronic Code of Federal Regulations (currently accessible at <https://www.ecfr.gov/cgi-bin/ECFR?page=browse>), by browsing to Title 28-Judicial Administration, Chapter 1, Part 38, under e-CFR "current" data.

19. Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.



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20. Compliance with general appropriations-law restrictions on the use of federal funds (FY 2017)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions, including from various "general provisions" in the Consolidated Appropriations Act, 2017, are set out at <https://ojp.gov/funding/Explore/FY17AppropriationsRestrictions.htm>, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

21. Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient, and any subrecipients ("subgrantees") at any tier, must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award-- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by-- (1) mail directed to: Office of the Inspector General, U.S. Department of Justice, Investigations Division, 950 Pennsylvania Avenue, N.W. Room 4706, Washington, DC 20530; (2) e-mail to: [oig.hotline@usdoj.gov](mailto:oig.hotline@usdoj.gov); and/or (3) the DOJ OIG hotline: (contact information in English and Spanish) at (800) 869-4499 (phone) or (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <https://www.usdoj.gov/oig>.



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*SPECIAL CONDITIONS*

22. Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.





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*SPECIAL CONDITIONS*

23. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

24. Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

25. Cooperating with OJP Monitoring

The recipient agrees to cooperate with OJP monitoring of this award pursuant to OJP's guidelines, protocols, and procedures, and to cooperate with OJP (including the grant manager for this award and the Office of Chief Financial Officer (OCFO)) requests related to such monitoring, including requests related to desk reviews and/or site visits. The recipient agrees to provide to OJP all documentation necessary for OJP to complete its monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by OJP for providing the requested documents. Failure to cooperate with OJP's monitoring activities may result in actions that affect the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to award funds; referral to the DOJ OIG for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

26. FFATA reporting: Subawards and executive compensation

The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of \$25,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the OJP web site at <https://ojp.gov/funding/Explore/FFATA.htm> (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here.

This condition, including its reporting requirement, does not apply to-- (1) an award of less than \$25,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).



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*SPECIAL CONDITIONS*

27. Use of program income

Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

28. Justice Information Sharing

In order to promote information sharing and enable interoperability among disparate systems across the justice and public safety community, the recipient (and any subrecipient at any tier) must comply with DOJ's Global Justice Information Sharing Initiative (DOJ's Global) guidelines and recommendations for this particular award. The recipient shall conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: [https://it.ojp.gov/gsp\\_grantcondition](https://it.ojp.gov/gsp_grantcondition). The recipient shall document planned approaches to information sharing and describe compliance to the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

29. Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

30. Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 42 U.S.C. 3789g(c)-(d). The recipient may not satisfy such a fine with federal funds.

31. Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

32. Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 42 U.S.C. 3789g and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23.



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33. Verification and updating of recipient contact information

The recipient must verify its Point of Contact(POC), Financial Point of Contact (FPOC), and Authorized Representative contact information in GMS, including telephone number and e-mail address. If any information is incorrect or has changed, a Grant Adjustment Notice (GAN) must be submitted via the Grants Management System (GMS) to document changes.

34. Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online (internet-based) task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership ([www.ctfli.org](http://www.ctfli.org)). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership ([www.ctfli.org](http://www.ctfli.org)).

35. Required attendance at BJA-sponsored events

The recipient (and its subrecipients at any tier) must participate in BJA-sponsored training events, technical assistance events, or conferences held by BJA or its designees, upon BJA's request.

36. Justification of consultant rate

Approval of this award does not indicate approval of any consultant rate in excess of \$650 per day. A detailed justification must be submitted to and approved by the OJP program office prior to obligation or expenditure of such funds.



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37. Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA.

The recipient understands that this condition applies to new activities as set out below, whether or not they are being specifically funded with these award funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these award funds, this condition must first be met. The activities covered by this condition are:

- a. New construction;
- b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species. or a property listed on or eligible for listing on the National Register of Historic Places;
- c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
- d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and
- e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The recipient further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at <https://bja.gov/Funding/nepa.html>, for programs relating to methamphetamine laboratory operations.

Application of This Condition to Recipient's Existing Programs or Activities: For any of the recipient's or its subrecipients' existing programs or activities that will be funded by these award funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

38. Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. (The trust fund may or may not be an interest-bearing account.) The fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.



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39. Prohibition on use of award funds for match under BVP program

JAG funds may be used to purchase vests for an agency, but they may not be used as the 50% match for purposes of the DOJ Bulletproof Vest Partnership (BVP) program.

40. Certification of body armor "mandatory wear" policies

The recipient agrees to submit a signed certification that all law enforcement agencies receiving body armor purchased with funds from this award have a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

41. Body armor - compliance with NIJ standards

Ballistic-resistant and stab-resistant body armor purchased with JAG award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards and is listed on the NIJ Compliant Body Armor Model List (<https://nij.gov/>). In addition, ballistic-resistant and stab-resistant body armor purchased must be American-made. The latest NIJ standard information can be found here: <https://nij.gov/topics/technology/body-armor/pages/safety-initiative.aspx>.

42. Required monitoring of subawards

The recipient must monitor subawards under this JAG award in accordance with all applicable statutes, regulations, award conditions, and the DOJ Grants Financial Guide, and must include the applicable conditions of this award in any subaward. Among other things, the recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of award funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

43. Reporting requirements

The recipient must submit quarterly Federal Financial Reports (SF-425) and semi-annual performance reports through OJP's GMS (<https://grants.ojp.usdoj.gov>). Consistent with the Department's responsibilities under the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, the recipient must provide data that measure the results of its work. The recipient must submit quarterly performance metrics reports through BJA's Performance Measurement Tool (PMT) website ([www.bjaperformancetools.org](http://www.bjaperformancetools.org)). For more detailed information on reporting and other JAG requirements, refer to the JAG reporting requirements webpage. Failure to submit required JAG reports by established deadlines may result in the freezing of grant funds and future High Risk designation.

44. Required data on law enforcement agency training

Any law enforcement agency receiving direct or sub-awarded funding from this JAG award must submit quarterly accountability metrics data related to training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.



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45. Prohibited Expenditures List

Award funds may not be used for items that are listed on the Prohibited Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time. The Prohibited Expenditure List may be accessed here: <https://www.bja.gov/funding/JAGControlledPurchaseList.pdf>

46. Controlled expenditures - prior written approval required

Award funds may not be used for items that are listed on the Controlled Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time, without explicit written prior approval from BJA. The Controlled Expenditure List, and instructions on how to request approval for purchase or acquisitions are set out at <https://www.bja.gov/funding/JAGControlledPurchaseList.pdf>

47. Controlled expenditures - incident reporting

If an agency uses award funds to purchase or acquire any item on the Controlled Expenditure List at the time of purchase or acquisition, including as the list may be amended from time to time, the agency must collect and retain (for at least 3 years) certain information about the use of-- (1) any federally-acquired Controlled Equipment in the agency's inventory, and (2) any other controlled equipment in the same category as the federally-acquired controlled equipment in the agency's inventory, regardless of source; and the agency must make that information available to BJA upon request. Details about what information must be collected and retained are set out at <https://ojp.gov/docs/LE-Equipment-WG-Final-Report.pdf>.

48. Sale of items on Controlled Expenditure List

Notwithstanding the provision of the Part 200 Uniform Requirements set out at 2 C.F.R. 200.313, no equipment listed on the Controlled Expenditure List that is purchased with award funds may be transferred or sold to a third party, except as described below:

a. Agencies may transfer or sell any controlled equipment, except riot helmets and riot shields, to a Law Enforcement Agency (LEA) after obtaining prior written approval from BJA. As a condition of that approval, the acquiring LEA will be required to submit information and certifications to BJA as if it were requesting approval to use award funds for the initial purchase of items on the Controlled Expenditure List.

b. Agencies may not transfer or sell any riot helmets or riot shields purchased under this award.

c. Agencies may not transfer or sell any Controlled Equipment purchased under this award to non-LEAs, with the exception of fixed wing aircraft, rotary wing aircraft, and command and control vehicles. Before any such transfer or sale is finalized, the agency must obtain prior written approval from BJA. All law enforcement-related and other sensitive or potentially dangerous components, and all law enforcement insignias and identifying markings must be removed prior to transfer or sale.

The recipient must notify BJA prior to the disposal of any items on the Controlled Expenditure List purchased with award funds, and must abide by any applicable laws (including regulations) in such disposal.

49. Prohibited or controlled expenditures - Effect of failure to comply

Failure to comply with an award condition related to prohibited or controlled expenditures may result in denial of any further approvals of controlled expenditures under this or other federal awards.



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50. Controlled expenditures - Standards

Consistent with recommendation 2.1 of Executive Order 13688, a law enforcement agency that acquires controlled equipment with award funds must adopt robust and specific written policies and protocols governing General Policing Standards and Specific Controlled Equipment Standards. General Policing Standards includes policies on (a) Community Policing; (b) Constitutional Policing; and (c) Community Input and Impact Considerations. Specific Controlled Equipment Standards includes policies specifically related to (a) Appropriate Use of Controlled Equipment; (b) Supervision of Use; (c) Effectiveness Evaluation; (d) Auditing and Accountability; and (e) Transparency and Notice Considerations. Upon OJP's request, the recipient must provide a copy of the General Policing Standards and Specific Controlled Equipment Standards, and any related policies and protocols.

51. Authorization to obligate (federal) award funds to reimburse certain project costs incurred on or after October 1, 2016

The recipient may obligate (federal) award funds only after the recipient makes a valid acceptance of the award. As of the first day of the period of performance for the award (October 1, 2016), however, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via a Grant Adjustment Notice). (A withholding condition is a condition in the award document that precludes the recipient from obligating, expending, or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through a Grant Adjustment Notice, the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

Nothing in this condition shall be understood to authorize the recipient (or any subrecipient at any tier) to use award funds to "supplant" State or local funds in violation of the recipient's certification (executed by the chief executive of the State or local government) that federal funds will be used to increase the amounts of such funds that would, in the absence of federal funds, be made available for law enforcement activities.

52. "Certification of Compliance with 8 U.S.C. 1373" required for valid award acceptance by a unit of local government

In order validly to accept this award, the applicant local government must submit the required "Certification of Compliance with 8 U.S.C. 1373" (executed by the chief legal officer of the local government). Unless that executed certification either-- (1) is submitted to OJP together with the fully-executed award document, or (2) is uploaded in OJP's GMS no later than the day the signed award document is submitted to OJP, any submission by a unit of local government that purports to accept the award is invalid.

If an initial award-acceptance submission by the recipient is invalid, once the unit of local government does submit the necessary certification regarding 8 U.S.C. 1373, it may submit a fully-executed award document executed by the unit of local government on or after the date of that certification.

For purposes of this condition, "local government" does not include any Indian tribes.



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53. Ongoing compliance with 8 U.S.C. 1373 is required

1. With respect to the "program or activity" funded in whole or part under this award (including any such "program or activity" of any subrecipient at any tier), throughout the period of performance for the award, no State or local government entity, -agency, or -official may prohibit or in any way restrict-- (1) any government entity or -official from sending or receiving information regarding citizenship or immigration status as described in 8 U.S.C. 1373(a); or (2) a government entity or -agency from sending, requesting or receiving, maintaining, or exchanging information regarding immigration status as described in 8 U.S.C. 1373(b). For purposes of this award, any prohibition (or restriction) that violates this condition is an "information-communication restriction."

2. Certifications from subrecipients. The recipient may not make a subaward to a State or local government or a "public" institution of higher education, unless it first obtains a certification of compliance with 8 U.S.C. 1373, properly executed by the chief legal officer of the jurisdiction or institution that would receive the subaward, using the appropriate form available at <https://ojp.gov/funding/Explore/SampleCertifications-8USC1373.htm>. Similarly, the recipient must require that no subrecipient (at any tier) may make a further subaward to a State or local government or a "public" institution of higher education, unless it first obtains a certification of compliance with 8 U.S.C. 1373, properly executed by the chief legal officer of the jurisdiction or institution that would receive the further subaward, using the appropriate OJP form.

3. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.

4. Allowable costs. Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated (including for authorized reimbursements) for the reasonable, necessary, and allocable costs (if any) that the recipient, or any subrecipient at any tier that is a State or local government or a "public" institution of higher education, incurs to implement this condition.

5. Rules of Construction

A. For purposes of this condition:

(1) "State" and "local government" include any agency or other entity thereof, but not any institution of higher education or any Indian tribe.

(2) A "public" institution of higher education is one that is owned, controlled, or directly funded by a State or local government.

(3) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).

(4) "Immigration status" means what it means for purposes of 8 U.S.C. 1373 (Illegal Immigration Reform and Immigrant Responsibility Act of 1996); and terms that are defined in 8 U.S.C. 1101 (Immigration and Nationality Act) mean what they mean under that section 1101, except that the term "State" also shall include American Samoa (cf. 42 U.S.C. 901(a)(2)).

(5) Pursuant to the provisions set out at (or referenced in) 8 U.S.C. 1551 note ("Abolition ... and Transfer of Functions"), references to the "Immigration and Naturalization Service" in 8 U.S.C. 1373 are to be read as references to particular components of the Department of Homeland Security (DHS).

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, any "public" institution of higher education, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.





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**IMPORTANT NOTE:** Any questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

54. Authority to obligate award funds contingent on compliance with 8 U.S.C. 1373; unallowable costs; obligation to notify

1. If the recipient is a State or local government--

A. The recipient may not obligate award funds if, at the time of the obligation, the "program or activity" of the recipient (or of any subrecipient at any tier that is either a State or unit of local government or a "public" institution of higher education) that is funded in whole or in part with award funds is subject to any "information-communication restriction."

B. In addition, with respect to any project costs it incurs "at risk," the recipient may not obligate award funds to reimburse itself if -- at the time it incurs such costs -- the "program or activity" of the recipient (or of any subrecipient at any tier that is either a State or unit of local government or a "public" institution of higher education) that would be reimbursed in whole or in part with award funds was subject to any "information-communication restriction."

C. Any drawdown of award funds by the recipient shall be considered, for all purposes, to be a material representation by the recipient to OJP that, as of the date the recipient requests the drawdown, the recipient and all subrecipients (regardless of tier) are in compliance with 8 U.S.C. 1373.

D. The recipient must promptly notify OJP (in writing) if the recipient, from its requisite monitoring of compliance with award conditions or otherwise, has credible evidence that indicates that the funded "program or activity" of the recipient, or of any subrecipient at any tier that is either a State or a local government or a "public" institution of higher education, may be subject to any "information-communication restriction." In addition, any subaward (at any tier) to a subrecipient that is either a State or a local government or a "public" institution of higher education must require prompt notification to the entity that made the subaward, should the subrecipient such credible evidence regarding an "information-communication restriction."

2. Any subaward (at any tier) to a subrecipient that is either a State or a local government or a "public" institution of higher education must provide that the subrecipient may not obligate award funds if, at the time of the obligation, the "program or activity" of the subrecipient (or of any further such subrecipient at any tier) that is funded in whole or in part with award funds is subject to any "information-communication restriction."

3. Absent an express written determination by DOJ to the contrary, based upon a finding by DOJ of compelling circumstances (e.g., a small amount of award funds obligated by the recipient at the time of a subrecipient's minor and transitory non-compliance, which was unknown to the recipient despite diligent monitoring), any obligations of award funds that, under this condition, may not be made shall be unallowable costs for purposes of this award. In making any such determination, DOJ will give great weight to evidence submitted by the recipient that demonstrates diligent monitoring of subrecipient compliance with the requirements set out in the award condition entitled "Ongoing compliance with 8 U.S.C. 1373 is required."

4. Rules of Construction

A. For purposes of this condition "information-communication restriction" has the meaning set out in the award condition entitled "Ongoing compliance with 8 U.S.C. 1373 is required."

B. Both the "Rules of Construction" and the "Important Note" set out in the award condition entitled "Ongoing compliance with 8 U.S.C. 1373 is required" are incorporated by reference as though set forth here in full.



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55. Required State-level rules or practices related to aliens; allowable costs

The following provisions apply to the recipient of this award, if the recipient is a State government, and also apply to any State-government subrecipient at any tier (whether or not the recipient is a State government).

1. Requirements

With respect to the "program or activity" that is funded (in whole or in part) by this award, as of the date the recipient accepts this award, and throughout the remainder of the period of performance for the award--

A. A State statute, or a State rule, -regulation, -policy, or -practice, must be in place that is designed to ensure that agents of the United States acting under color of federal law in fact are given to access any State (or State-contracted) correctional facility for the purpose of permitting such agents to meet with individuals who are (or are believed by such agents to be) aliens and to inquire as to such individuals' right to be or remain in the United States.

B. A State statute, or a State rule, -regulation, -policy, or -practice, must be in place that is designed to ensure that, when a State (or State-contracted) correctional facility receives from DHS a formal written request authorized by the Immigration and Nationality Act that seeks advance notice of the scheduled release date and time for a particular alien in such facility, then such facility will honor such request and -- as early as practicable (see para. 4.B. of this condition) -- provide the requested notice to DHS.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.

3. Allowable costs

Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated (including for authorized reimbursements) for the reasonable, necessary, and allocable costs (if any) of-- (1) developing and putting into place statutes, rules, regulations, policies, and practices to satisfy this condition, and (2) permitting access as described in para. 1.A. above, and (3) honoring any request from DHS that is encompassed by para. 1.B. above.

4. Rules of construction

A. For purposes of this condition--

(1) the term "alien" means what it means under section 101 of the Immigration and Nationality Act (see 8 U.S.C. 1101(a)(3)).

(2) the term "correctional facility" means what it means under the Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (see 42 U.S.C. 3791(a)(7)).

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity or individual to maintain (or detain) any individual in custody beyond the date and time the individual would have been released in the absence of this condition.

Current DHS practice is ordinarily to request advance notice of scheduled release "as early as practicable (at least 48 hours, if possible)." (See DHS Form I-247A (3/17)). In the event that (e.g., in light of the date DHS made such request) the scheduled release date and time for an alien are such as not to permit the advance notice that DHS has requested, it shall not be a violation of this condition to provide only as much advance notice as practicable.



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NOTE: Current DHS practice is to use one form (DHS Form I-247A (3/17)) for two distinct purposes -- to request advance notice of scheduled release, and to request that an individual be detained for up to 48 hours AFTER the scheduled release. This condition imposes NO requirements as to such DHS requests for detention.

C. Both the "Rules of Construction" and the "Important Note" set out in the award condition entitled "Ongoing compliance with 8 U.S.C. 1373 is required" are incorporated by reference as though set forth here in full.

56. Required local-government-level rules or practices related to aliens; allowable costs

The following provisions apply to the recipient of this award, if the recipient is a unit of local government, and also apply to any local-government subrecipient of this award at any tier (whether or not the recipient itself is a unit of local government).

1. Requirements

With respect to the "program or activity" that is funded (in whole or in part) by this award, as of the date the recipient accepts this award, and throughout the remainder of the period of performance for the award--

A. A local ordinance, -rule, -regulation, -policy, or -practice (or an applicable State statute, -rule, -regulation, -policy, or -practice) must be in place that is designed to ensure that agents of the United States acting under color of federal law in fact are given access a local-government (or local-government-contracted) correctional facility for the purpose of permitting such agents to meet with individuals who are (or are believed by such agents to be) aliens and to inquire as to such individuals' right to be or remain in the United States.

B. A local ordinance, -rule, -regulation, -policy, or -practice (or an applicable State statute, -rule, -regulation, -policy, or -practice) must be in place that is designed to ensure that, when a local-government (or local-government-contracted) correctional facility receives from DHS a formal written request authorized by the Immigration and Nationality Act that seeks advance notice of the scheduled release date and time for a particular alien in such facility, then such facility will honor such request and -- as early as practicable (see "Rules of Construction" incorporated by para. 4.B. of this condition) -- provide the requested notice to DHS.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.

3. Allowable costs

Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated (including for authorized reimbursements) for the reasonable, necessary, and allocable costs (if any) of-- (1) developing and putting into place statutes, ordinances, rules, regulations, policies, and practices to satisfy this condition, (2) permitting access as described in para. 1.A. above, and (3) honoring any request from DHS that is encompassed by para. 1.B. above.

4. Rules of construction

A. The "Rules of Construction" and the "Important Note" set out in the award condition entitled "Ongoing compliance with 8 U.S.C. 1373 is required" are incorporated by reference as though set forth here in full.

B. The "Rules of Construction" set out in the award condition entitled "Required State-level rules or practices related to aliens; allowable costs" are incorporated by reference as though set forth here in full.



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57. Use of funds for DNA testing; upload of DNA profiles

If award funds are used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS.

No profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA.

Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS.

58. Encouragement of submission of "success stories"

BJA strongly encourages the recipient to submit annual (or more frequent) JAG success stories. To submit a success story, sign in to a My BJA account at <https://www.bja.gov/Login.aspx> to access the Success Story Submission form. If the recipient does not yet have a My BJA account, please register at <https://www.bja.gov/profile.aspx>. Once registered, one of the available areas on the My BJA page will be "My Success Stories." Within this box, there is an option to add a Success Story. Once reviewed and approved by BJA, all success stories will appear on the BJA Success Story web page at <https://www.bja.gov/SuccessStoryList.aspx>.

59. Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at [OJP.ComplianceReporting@ojp.usdoj.gov](mailto:OJP.ComplianceReporting@ojp.usdoj.gov). For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

60. Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

61. Withholding of funds: Required certification from the chief executive of the applicant government

The recipient may not obligate, expend, or draw down any award funds until the recipient submits the required "Certifications and Assurances of the Chief Executive of the Applicant Government," properly-executed (as determined by OJP), and a Grant Adjustment Notice (GAN) has been issued to remove this condition.



**U.S. Department of Justice**

Office of Justice Programs

*Bureau of Justice Assistance*

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Washington, D.C. 20531

**Memorandum To:** Official Grant File

**From:** Orbin Terry, NEPA Coordinator

**Subject:** Incorporates NEPA Compliance in Further Developmental Stages for City of Jonesboro

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system, some of which could have environmental impacts. All recipients of JAG funding must assist BJA in complying with NEPA and other related federal environmental impact analyses requirements in the use of grant funds, whether the funds are used directly by the grantee or by a subgrantee or third party. Accordingly, prior to obligating funds for any of the specified activities, the grantee must first determine if any of the specified activities will be funded by the grant.

The specified activities requiring environmental analysis are:

- a. New construction;
- b. Any renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;
- c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;
- d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and
- e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

Complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. Further, for programs relating to methamphetamine laboratory operations, the preparation of a detailed Mitigation Plan will be required. For more information about Mitigation Plan requirements, please see <https://www.bja.gov/Funding/nepa.html>.

Please be sure to carefully review the grant conditions on your award document, as it may contain more specific information about environmental compliance.



U.S. Department of Justice  
Office of Justice Programs  
Bureau of Justice Assistance

**GRANT MANAGER'S MEMORANDUM, PT. I:  
PROJECT SUMMARY**

**Grant**

PROJECT NUMBER

2017-DJ-BX-0833

PAGE 1 OF 1

This project is supported under FY17(BJA - JAG State and JAG Local) Title I of Pub. L. No. 90-351 (generally codified at 42 U.S.C. 3711 - 3797ff-5), including subpart 1 of part E (codified at 42 U.S.C. 3750 - 3758); see also 28 U.S.C. 530C(a).

1. STAFF CONTACT (Name & telephone number)

Olga Santiago  
(202) 598-1094

2. PROJECT DIRECTOR (Name, address & telephone number)

Kimberly Marshall  
Grants Administrator  
300 S. Church Street  
P.O. Box 1845  
Jonesboro, AR 72403-1845  
(870) 336-7229

3a. TITLE OF THE PROGRAM

BJA FY 17 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation

3b. POMS CODE (SEE INSTRUCTIONS  
ON REVERSE)

4. TITLE OF PROJECT

Jonesboro E-Citation and E-Crash Program

5. NAME & ADDRESS OF GRANTEE

City of Jonesboro  
515 West Washington Avenue  
Jonesboro, AR 72401-2779

6. NAME & ADDRESS OF SUBGRANTEE

7. PROGRAM PERIOD

FROM: 10/01/2016 TO: 09/30/2020

8. BUDGET PERIOD

FROM: 10/01/2016 TO: 09/30/2020

9. AMOUNT OF AWARD

\$ 32,217

10. DATE OF AWARD

06/26/2018

11. SECOND YEAR'S BUDGET

12. SECOND YEAR'S BUDGET AMOUNT

13. THIRD YEAR'S BUDGET PERIOD

14. THIRD YEAR'S BUDGET AMOUNT

15. SUMMARY DESCRIPTION OF PROJECT (See instruction on reverse)

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states and units of local government, including tribes, to support a broad range of criminal justice related activities based on their own state and local needs and conditions. Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, including for any one or more of the following purpose areas: 1) law enforcement programs; 2) prosecution and court programs; 3) prevention and education programs; 4) corrections and community corrections programs; 5) drug treatment and enforcement programs; 6) planning, evaluation, and technology improvement programs; 7) crime victim and witness programs (other than compensation); and 8) mental health programs and related law enforcement and corrections programs, including behavioral programs and crisis intervention teams.

This Local JAG award will be shared by the County and one or more jurisdictions identified as disparate within the current Fiscal Year eligibility list ([www.bja.gov/Jag](http://www.bja.gov/Jag)). JAG funding will be used to support criminal justice initiatives that fall under one or more of the allowable program areas above. Any

equipment purchases or funded initiatives such as overtime, task forces, drug programs, information sharing, etc. will be aimed at reducing crime and/or enhancing public/officer safety.

NCA/NCF

**Jonesboro E-Citation and E-Crash Program for FY 2017**  
FY 2017 DJ-BX-0833

*Budget Narrative*

1. Supplies and Services	
a. (35) Scanners for e-citation and e-crash program for vehicles	\$11,750
i. \$330.00 x 35 vehicles = \$11,750	
ii. The scanners will be used to read driver licenses of those individuals receiving citations or involved in an accident.	
b. (35) Printers for e-citation and e-crash program for vehicles	\$13,671
i. \$390.60 x 35 vehicles = \$13,671	
ii. The printers will be utilized to print the citations and accident reports.	
c. (35) Vehicle mounts for the printers in the vehicles	\$ 3,494
i. \$99.83 x 35 vehicles = \$3494.05	
ii. The printers will need vehicle mounts for storage and stabilization during use,	
d. (10) Boxes of printer paper for the vehicles	\$ 2,268
i. \$226.80 x 10 units = \$2,268	
ii. Paper rolls for printer citation and reports.	
2.0 Administration fees	\$1,034.00
Total Amount of Award	\$32,217.00





## Legislation Details (With Text)

<b>File #:</b>	RES-18:112	<b>Version:</b>	1	<b>Name:</b>	CONTRACT WITH KIWANIS CLUB OF JONESBORO FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT THE MIRACLE LEAGUE COMPLEX
<b>Type:</b>	Resolution	<b>Status:</b>		<b>Status:</b>	To Be Introduced
<b>File created:</b>	7/13/2018	<b>In control:</b>		<b>In control:</b>	Finance & Administration Council Committee
<b>On agenda:</b>		<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	A RESOLUTION TO CONTRACT WITH KIWANIS CLUB OF JONESBORO FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT THE MIRACLE LEAGUE COMPLEX				
<b>Sponsors:</b>	Parks & Recreation				
<b>Indexes:</b>	Contract				
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Exhibit A</a>				

Date	Ver.	Action By	Action	Result
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A RESOLUTION TO CONTRACT WITH KIWANIS CLUB OF JONESBORO FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT THE MIRACLE LEAGUE COMPLEX

WHEREAS, the City of Jonesboro owns and maintains The Miracle League Complex located at 5000 S Caraway Road; and

WHEREAS, Kiwanis Club of Jonesboro is seeking sponsorship recognition on one outfield sign at The Miracle League Complex; and

WHEREAS, Kiwanis Club of Jonesboro is sponsoring the outfield sign for the sum of \$300.00 per year for a period of 3 years effective July 1, 2018.

NOW, THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS

SECTION 1: That the City of Jonesboro, Arkansas shall contract with Kiwanis Club of Jonesboro for the sponsorship of one outfield sign at The Miracle League Complex. A copy of said contract is attached as Exhibit A.

SECTION 2; The Mayor and City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all document necessary to effectuate said agreement.

EXHIBIT A

ADVERTISING AGREEMENT  
FOR FIELD SIGN LOCATED AT  
MIRACLE LEAGUE COMPLEX

This agreement is made by and between Kiwanis Club of Jonesboro (SPONSOR) and the City of Jonesboro (CITY), on this 1st Day of July 2018 (the "Effective Date").

WHEREAS, the CITY is the owner of certain public park amenities known as "Miracle League of Jonesboro Complex". And hereafter referred to as the "Facilities", and

WHEREAS, SPONSOR and the CITY desire to enter this agreement for the purpose of Evidencing the agreement of the parties with regard to advertising on the outfield fences at the Facilities by SPONSOR and the respective obligations of the parties regarding said Advertisements at the Facilities;

NOW, THEREFORE in consideration of the promises and the reciprocated covenants and obligations contained herein, the parties agree as follows:

**I. Term**

- (1) The term of this agreement is for a period of **(3) three years** commencing on the effective Date and ending at midnight on the **(3<sup>rd</sup>)** third anniversary thereof.

**II. Advertisement at Facilities**

- (1) It is agreed between the parties hereto, in return for the covenants and conditions set forth herein that the SPONSOR's logo shall be put on a sign to be displayed on chosen field at FACILITY for a period of **(3) three years**.
- (2) It is agreed between the parties that the SPONSOR shall pay over a period of **3 years** for the sign and sponsorship the total sum of **\$900.00**.  
A sum of **\$300.00** shall be paid on **July 1<sup>st</sup>, 2018**.  
A sum of **\$300.00** shall be paid on **July 1<sup>st</sup>, 2019**.  
A sum of **\$300.00** shall be paid on **July 1<sup>st</sup>, 2020**.
- (3) It is agreed between the CITY and the SPONSOR that the SPONSOR shall have the right to renew this contract for an additional period of **(3) three years** at the sponsorship rate to be negotiated at the time of the renewal.

- (4) It is agreed between the CITY and the SPONSOR that this sponsorship is non-assignable without prior written approval of the CITY. It is also agreed that the CITY reserves the right to remove SPONSOR'S sign and obtain a new sponsor for designated field in the event of failure of payment on the part of the SPONSOR.
- (5) It is agreed between the parties that the CITY will furnish a 4' x 8' sign to be placed for SPONSOR'S on Miracle League field. However, it shall be the responsibility of SPONSOR to bear any expense made to said sign should changes be requested during the term of this agreement.
- (6) It is agreed by CITY and the SPONSOR that the SPONSOR shall not be responsible for the maintenance or upkeep of sign and SPONSOR shall not be responsible with regards to any liability actions which may be brought against the CITY resulting from accidents which might involve the sign.

### **III. Assignability and Exclusivity**

This agreement is a privilege for the benefit of SPONSOR only and may not be assigned in whole or in part by SPONSOR to any other person or entity.

### **IV. Miscellaneous Provisions.**

- (1) No Modification of this Agreement shall be effective unless it is made in writing and signed by the authorized representatives of the parties hereto.
- (2) This agreement shall be construed under and in accordance with the laws of the State of Arkansas and venue for any litigation concerning this Agreement shall be in Craighead County, Jonesboro, Arkansas.
- (3) Nothing in this Agreement shall be construed to make the CITY or its respective agents or representatives liable in situations it is otherwise immune from liability.
- (4) In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision

thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

- (5) Each party represents to the other the individual signing this Agreement below has been duly authorized to do so by its respective governing body and that this Agreement is binding and enforceable as to each party.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year set Set forth below.

BY: **Kiwanis Club of Jonesboro**

Name: Bill Dunnam

Title: Treasurer

Date: 7/5/2018



Treasurer, Kiwanis Club/Jonesboro.

CITY OF JONESBORO

By: \_\_\_\_\_

Name: Harold Perrin

Title: Mayor

Date: \_\_\_\_\_

ATTEST

\_\_\_\_\_

Donna Jackson, City Clerk, CMC



Legislation Details (With Text)

**File #:** RES-18:117    **Version:** 1    **Name:** AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Type:** Resolution    **Status:** To Be Introduced

**File created:** 7/26/2018    **In control:** Finance & Administration Council Committee

**On agenda:**    **Final action:**

**Title:** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

**Sponsors:** Human Resources, Finance

**Indexes:** Employee benefits

**Code sections:**

**Attachments:** [Amendment Two to COJ 457\(b\) Plan](#)  
[City of Jonesboro 457\(b\) Plan - Restated Loan Policy\(2\).pdf](#)

Date	Ver.	Action By	Action	Result
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A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

WHEREAS, the City Council has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Plan”); and

WHEREAS, Section 11.01 of the Plan allows the City, through appropriate action of the City Council, to amend the Plan at any time and from time to time; and

WHEREAS, the City desires to permit loans to participants from the Plan as described in the attached hereto Amendment Two to the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Amendment”), and pursuant to the terms and conditions described in the attached hereto City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust Participant Loan Policy (the “Loan Policy”).

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council hereby approves and adopts the Amendment and the Loan Policy; and

Section 2: The Mayor and City Clerk are hereby authorized to execute the Amendment and are authorized and directed to execute, file, record and deliver such documents and instruments and to take such other action as is

necessary, desirable or appropriate in order to implement and otherwise carry out the intent of these resolutions.

**AMENDMENT TWO  
TO THE  
CITY OF JONESBORO, ARKANSAS NON-UNIFORMED EMPLOYEES  
457(b) RETIREMENT SAVINGS PLAN AND TRUST**

This AMENDMENT is hereby adopted by the City of Jonesboro, Arkansas.

WHEREAS, the City of Jonesboro, Arkansas, a municipality of the State of Arkansas, (the “Employer”) has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Plan”); and

WHEREAS, pursuant to Section 11.01 of the Plan, the Employer, by appropriate action of the City Council, has the right at any time and from time to time to amend the Plan; and

WHEREAS, the Employer desires to amend the Plan and permit loans to participants from the Plan.

NOW, THEREFORE, effective as of August 7, 2018, the Plan is hereby amended as follows:

1. Section 6.01 of the Plan is amended so as to now read as follows:

**6.01 Loans to Participants.** This Plan does permit loans from the Plan to Participants. Loans to Participants shall be made in accordance with the loan policy established by the Plan Administrator.

IN WITNESS WHEREOF, the Employer has executed this Amendment as of the 7th day of August, 2018

CITY OF JONESBORO, ARKANSAS

By: \_\_\_\_\_  
Harold Perrin, Mayor

ATTEST:

By: \_\_\_\_\_  
Donna Jackson, City Clerk

## **City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan**

### **Loan Policy**

**City of Jonesboro, Arkansas (“Employer”)** has adopted the following Loan Policy pursuant to the terms of the **City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (“457(b) Plan”)** and designates INTRUST Bank, N. A. (“INTRUST”) as the Administrator of the Loan Program. As Loan Administrator, INTRUST is responsible for providing a process for a Participant to request a Participant loan from the 457(b) Plan, for approving or denying each loan request and for instructing the 457(b) Plan’s Trustee to make the loan to the Participant. This policy sets forth the rules of the Loan Program.

#### **Loan Program**

**Loan Application** – Any 457(b) Plan Participant who is considered a Party-In-Interest as defined in Section 3(14) of the Employee Retirement Income Security Act (“ERISA”) may apply for a loan from the 457(b) Plan subject to the limitations and conditions under this Loan Program. Loans shall not be made available to highly compensated employees in an amount (expressed as a percentage of vested account balance) greater than is made available to other employees. A 457(b) Plan Participant who has a defaulted loan is not eligible for another loan. Loan requests must be made in one of three ways:

- Through the Voice Response Unit by calling 1-877-410-9984.
- Via the Internet by going to [www.nesteggu.com](http://www.nesteggu.com).
- By telephoning a Customer Solutions Center at 1-866-412-9026

The Loan Administrator will consider all loan applications. If a Participant’s vested account balance in the **457(b) Plan** is sufficient and the Participant has no defaulted loans, the loan request will automatically be approved. If asked, the Participant will be required to provide any supporting information deemed necessary by the Loan Administrator in making its decision to approve or deny the loan request.

**Limitations On Loans** – The Loan Administrator will not approve any loan to a Participant in an amount that exceeds **50% of his or her vested accrued benefit in the 457(b) Plan**. The total aggregate amount of loans outstanding (including loans in default but not yet offset) to any Participant may not exceed \$50,000, reduced by the excess of the Participant’s highest outstanding Participant loan balance during the 12-month period ending on the date of the loan over the Participant’s current outstanding Participant loan balance on the date of the loan. With regard to any loan made pursuant to this program, the following rules and limitations apply in addition to such other requirements set forth in the 457(b) Plan:

- Loans will not be made in a principal amount less than \$1,000.
- A nonrefundable loan origination fee of \$100 is charged for each loan requested.
- **A maximum of ONE loan is permitted to be outstanding at any time.**
- No existing loan may be renewed or refinanced, whether or not increased by an additional loan amount.
- All loans made pursuant to this program will be considered a directed investment under the 457(b) Plan. As such, all payments of principal and interest made by the Participant will be credited only to the Participant’s investment elections. The 457(b) Plan also will charge the Participant’s account balances with expenses directly related to the loan.

**Evidence And Terms Of Loan** – The Participant will receive a copy of the promissory note representing the terms of the loan, an amortization schedule, a loan confirmation and a check representing the loan proceeds. The Participant’s negotiation of the check representing the loan proceeds will be the **Participant’s agreement to the loan terms, the pledge and assignment, and payroll deduction**. All loans will bear a commercially reasonable rate of interest, which Employer has determined to be the Wall Street



prime rate at the time of the loan plus one percentage point. Changes in the prime rate will be implemented by the Loan Administrator when it is reasonably administratively feasible to do so.

The loan must provide for periodic repayments under a level amortization schedule through payroll deduction, the frequency of repayments based on the **Employer's current bi-weekly payroll cycle**.

For all loans, prepayment of principal and interest shall be allowed only if the entire remaining outstanding loan balance is paid in full.

The term of repayment of a loan must not be greater than five years.

A loan, if not otherwise due and payable, is due and payable on termination of the Participant's employment or on termination of the 457(b) Plan, notwithstanding any contrary provision in the promissory note. Nothing in this loan policy restricts Employer's right to terminate the 457(b) Plan at any time. **Participants should contact their tax advisor for prevailing, termination related, tax treatment of outstanding loans as significant penalties and income tax reporting consequences may result.**

The law treats the amount of any loan not repaid as agreed as a loan default. A defaulted loan not paid within the cure period will be deemed distributed and result in income tax consequences to the Participant.

Suspension Of Payments During Leave Of Absence – Your loan payments may be suspended for up to one year during an approved leave of absence. However, under no circumstances may the loan term be greater than five years.

Military Service - If a Participant takes a leave of absence from the Employer because of service in the military, the 457(b) Plan shall suspend loan repayments until the Participant's completion of military service or until the Participant's fifth anniversary of commencement of military service, if earlier. The Employer will provide the Participant with a written explanation of procedures to extend the payment term for a military leave of absence and the effect of the Participant's military service on his or her 457(b) Plan loan.

Collateral For Loan - A Participant shall secure a loan with an irrevocable pledge and assignment of an amount equal to the amount of the loan up to 50% of the Participant's vested account balance in the **457(b) Plan** determined as of the date the loan is granted. The Loan Administrator will not permit the Participant to secure a loan with any other collateral.

Default - The Loan Administrator will treat a loan as in default if any of the following events occur:

1. A scheduled payment is not timely made; or
2. A loan is not paid in full after termination of employment; or
3. The Participant receives a distribution of the Participant's entire **457(b) Plan** vested account balance  
(including any loans).

Cure Period - In the event a Participant misses a scheduled payment, the Participant may cure the default by making all missed payments before the expiration of the cure period. The cure period shall expire on the last day of the calendar quarter following the calendar quarter during which the event of default occurred. Notwithstanding the previous sentence, the cure period may not extend beyond the original maturity date of the loan.

Acceleration And Offset - Upon default and the expiration of the cure period, the then outstanding principal balance and unpaid interest calculated to the last day of the cure period shall be immediately due and

payable. If allowed by the 457(b) Plan, the vested accounts in the 457(b) Plan provided as security for the loan shall be offset by the amount of such outstanding principal balance and unpaid accrued interest. In the case of a Participant who is actively employed on the date of default this offset will not occur until the Participant separates from service with the Employer unless the Participant is entitled to an in-service distribution. If the Participant is entitled to an in-service distribution, the outstanding principal balance and unpaid accrued interest will be offset against the Participant's account balance. No notice shall be required prior to the offset. The Loan Administrator will treat the note as repaid to the extent of any permissible offset and report it as a taxable distribution to the Participant. If the 457(b) Plan does not permit an immediate offset, the then outstanding principal balance and unpaid interest calculated to the last date of the cure period shall be treated as a deemed distribution and reported as taxable income to the Participant. If the default is treated as a deemed distribution, the unpaid balance will continue to accrue interest until the outstanding principal and accrued interest is paid in full.

Accounting For Loan - A loan made to a Participant will be made only from the Participant's 457(b) Plan vested account balance. If a loan is made from a Participant's account that is invested in more than one investment fund, the amount withdrawn in order to make the loan shall be charged to each investment fund in the same proportions as the account is invested in each investment fund. All repayments of principal and interest shall be reinvested in accordance with the Participant's investment elections in effect at the time the repayment is received, and if the loan was taken from more than one account, repayments to the accounts shall be made on a pro rata basis.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**City of Jonesboro, Arkansas**

By: \_\_\_\_\_

Title: \_\_\_\_\_



## Legislation Details (With Text)

<b>File #:</b>	RES-18:118	<b>Version:</b>	1	<b>Name:</b>	ALLOW THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO
<b>Type:</b>	Resolution	<b>Status:</b>		<b>Status:</b>	To Be Introduced
<b>File created:</b>	7/26/2018	<b>In control:</b>		<b>In control:</b>	Finance & Administration Council Committee
<b>On agenda:</b>		<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	A RESOLUTION TO ALLOW THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO				
<b>Sponsors:</b>	Mayor's Office, Ann Williams				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">resolution to advertise for impact fee consultant.pdf</a>				

Date	Ver.	Action By	Action	Result
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A RESOLUTION TO ALLOW THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO

WHEREAS, the City Council has been considering the issue of impact fees; and

WHEREAS, it is crucial to determine the specific needs before considering assessing said fees; and

WHEREAS, the City Council believes an such a study may take several months, and an expert is required to conduct an accurate study and make recommendations for what, if any, fees would be appropriate; and

WHEREAS, it is the desire of the City Council to begin the search to find an expert for the study.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

1. The City Council hereby authorizes the Mayor to advertise a request for qualifications for a consultant to study impact fees in the City of Jonesboro.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION TO ALLOW THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO**

**WHEREAS, the City Council has been considering the issue of impact fees; and**

**WHEREAS, it is crucial to determine the specific needs before considering assessing said fees; and**

**WHEREAS, the City Council believes an such a study may take several months, and an expert is required to conduct an accurate study and make recommendations for what, if any, fees would be appropriate; and**

**WHEREAS, it is the desire of the City Council to begin the search to find an expert for the study.**

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:**

- 1. The City Council hereby authorizes the Mayor to advertise a request for qualifications for a consultant to study impact fees in the City of Jonesboro.**

**PASSED AND APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2018.**

\_\_\_\_\_  
**HAROLD PERRIN, MAYOR**

**ATTEST:**

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**DONNA JACKSON, CITY CLERK**



## Legislation Details (With Text)

<b>File #:</b>	RES-18:107	<b>Version:</b>	1	<b>Name:</b>	AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST
<b>Type:</b>	Resolution	<b>Status:</b>			In Committee
<b>File created:</b>	7/3/2018	<b>In control:</b>			Finance & Administration Council Committee
<b>On agenda:</b>		<b>Final action:</b>			
<b>Title:</b>	A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST				
<b>Sponsors:</b>	Human Resources, Finance				
<b>Indexes:</b>	Employee benefits				
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Amendment Two to COJ 457(b) Plan</a>				

Date	Ver.	Action By	Action	Result
7/13/2018	1	Finance & Administration Council Committee		

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

WHEREAS, the City Council has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the "Plan"); and

WHEREAS, Section 11.01 of the Plan allows the City, through appropriate action of the City Council, to amend the Plan at any time and from time to time; and

WHEREAS, the City desires the amend the Plan in the manner stated in the attached hereto Amendment Two to the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan (the "Amendment").

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council hereby approves and adopts the Amendment; and

Section 2: The Mayor and City Clerk are hereby authorized to execute such Amendment

**AMENDMENT TWO  
TO THE  
CITY OF JONESBORO, ARKANSAS NON-UNIFORMED EMPLOYEES  
457(b) RETIREMENT SAVINGS PLAN AND TRUST**

This AMENDMENT is hereby adopted by the City of Jonesboro, Arkansas.

WHEREAS, the City of Jonesboro, Arkansas, a municipality of the State of Arkansas, (the “Employer”) has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Plan”); and

WHEREAS, pursuant to Section 11.01 of the Plan, the Employer, by appropriate action of the City Council, has the right at any time and from time to time to amend the Plan; and

WHEREAS, the Employer desires to amend the Plan in order to allow monthly entry dates and allow participants to change deferral elections monthly.

NOW, THEREFORE, effective as of July 17, 2018, the Plan is hereby amended as follows:

1. The definition of Entry Date described in Section 1.18 of the Plan is modified so as to now read as follows:

1.18 **Entry Date** means the first day of each calendar month of the Plan Year; provided, however, prior to July 17, 2018, the Entry Date was January 1, April 1, July 1 and October 1 of each Plan Year.

2. The first two sentences of Section 3.08 of the Plan are modified so as to now read as follows:

A Participant may elect to change the percentage of his or her Compensation contributed to the Plan, on a monthly basis, by submitting a new Deferred Compensation Agreement to the Plan Administrator. Such change shall be effective as of the first day of the calendar month immediately following the Plan Administrator’s receipt of the properly completed Deferred Compensation Agreement.

IN WITNESS WHEREOF, the Employer has executed this Amendment as of the 17th day of **July**, 2018

CITY OF JONESBORO, ARKANSAS

By: \_\_\_\_\_  
Harold Perrin, Mayor

ATTEST:

By: \_\_\_\_\_  
Donna Jackson, City Clerk



## Legislation Details (With Text)

<b>File #:</b>	RES-18:108	<b>Version:</b>	1	<b>Name:</b>	AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST
<b>Type:</b>	Resolution	<b>Status:</b>		<b>Status:</b>	In Committee
<b>File created:</b>	7/3/2018	<b>In control:</b>		<b>In control:</b>	Finance & Administration Council Committee
<b>On agenda:</b>		<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST				
<b>Sponsors:</b>	Human Resources, Finance				
<b>Indexes:</b>	Employee benefits				
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Amendment Three to COJ 457(b) Plan Loan Policy</a>				

Date	Ver.	Action By	Action	Result
7/13/2018	1	Finance & Administration Council Committee		

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 457 (b) RETIREMENT SAVINGS PLAN AND TRUST

WHEREAS, the City Council has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Plan”); and

WHEREAS, Section 11.01 of the Plan allows the City, through appropriate action of the City Council, to amend the Plan at any time and from time to time; and

WHEREAS, the City desires to permit loans to participants from the Plan as described in the attached hereto Amendment Three to the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Amendment”), and pursuant to the terms and conditions described in the attached hereto City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust Participant Loan Policy (the “Loan Policy”).

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council hereby approves and adopts the Amendment and the Loan Policy; and

Section 2: The Mayor and City Clerk are hereby authorized to execute the Amendment and are authorized and

directed to execute, file, record and deliver such documents and instruments and to take such other action as is necessary, desirable or appropriate in order to implement and otherwise carry out the intent of these resolutions.



**AMENDMENT THREE  
TO THE  
CITY OF JONESBORO, ARKANSAS NON-UNIFORMED EMPLOYEES  
457(b) RETIREMENT SAVINGS PLAN AND TRUST**

This AMENDMENT is hereby adopted by the City of Jonesboro, Arkansas.

WHEREAS, the City of Jonesboro, Arkansas, a municipality of the State of Arkansas, (the “Employer”) has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust (the “Plan”); and

WHEREAS, pursuant to Section 11.01 of the Plan, the Employer, by appropriate action of the City Council, has the right at any time and from time to time to amend the Plan; and

WHEREAS, the Employer desires to amend the Plan and permit loans to participants from the Plan.

NOW, THEREFORE, effective as of **July 17th**, 2018, the Plan is hereby amended as follows:

1. Section 6.01 of the Plan is amended so as to now read as follows:

**6.01 Loans to Participants.** This Plan does permit loans from the Plan to Participants. Loans to Participants shall be made in accordance with the loan policy established by the Plan Administrator.

IN WITNESS WHEREOF, the Employer has executed this Amendment as of the 17<sup>th</sup> day of **July**, 2018

CITY OF JONESBORO, ARKANSAS

By: \_\_\_\_\_  
Harold Perrin, Mayor

ATTEST:

By: \_\_\_\_\_  
Donna Jackson, City Clerk

## **Loan Policy**

City of Jonesboro, Arkansas ("Employer") has adopted the following Loan Policy pursuant to the terms of the City of Jonesboro, Arkansas Non-Uniformed Employees 457(b) Retirement Savings Plan and Trust ("Plan") and designates INTRUST Bank, N. A. ("INTRUST") as the Administrator of the Loan Program. As Loan Administrator, INTRUST is responsible for providing a process for a Participant to request a Participant loan from the Plan, for approving or denying each loan request and for instructing the Plan's Trustee to make the loan to the Participant. This policy sets forth the rules of the Loan Program.

### **Loan Program**

**Loan Application** – Any Plan Participant who is considered a Party-In-Interest as defined in Section 3(14) of the Employee Retirement Income Security Act ("ERISA") may apply for a loan from the Plan subject to the limitations and conditions under this Loan Program. Loans shall not be made available to highly compensated employees in an amount (expressed as a percentage of vested account balance) greater than is made available to other employees. A Plan Participant who has a defaulted loan is not eligible for another loan. Loan requests must be made in one of three ways:

- Through the Voice Response Unit by calling 1-877-410-9984.
- Via the Internet by going to [www.nesteggu.com](http://www.nesteggu.com).
- By telephoning a Customer Solutions Center at 1-866-412-9026

The Loan Administrator will consider all loan applications. If a Participant's vested account balance in the Plan is sufficient and the Participant has no defaulted loans, the loan request will automatically be approved. If asked, the Participant will be required to provide any supporting information deemed necessary by the Loan Administrator in making its decision to approve or deny the loan request.

**Limitations On Loans** – The Loan Administrator will not approve any loan to a Participant in an amount that exceeds 50% of his or her vested accrued benefit. The total aggregate amount of loans outstanding (including loans in default but not yet offset) to any Participant may not exceed \$50,000, reduced by the excess of the Participant's highest outstanding Participant loan balance during the 12-month period ending on the date of the loan over the Participant's current outstanding Participant loan balance on the date of the loan. With regard to any loan made pursuant to this program, the following rules and limitations apply in addition to such other requirements set forth in the Plan:

- Loans will not be made in a principal amount less than \$1,000.
- A nonrefundable loan origination fee of \$100 is charged for each loan requested.
- A maximum of TWO loans are permitted to be outstanding at any time.
- No existing loan may be renewed or refinanced, whether or not increased by an additional loan amount.
- All loans made pursuant to this program will be considered a directed investment under the Plan. As such, all payments of principal and interest made by the Participant will be credited only to the Participant's investment elections. The Plan also will charge the Participant's account balances with expenses directly related to the loan.

**Evidence And Terms Of Loan** – The Participant will receive a copy of the promissory note representing the terms of the loan, an amortization schedule, a loan confirmation and a check representing the loan proceeds unless the loan is for a home loan and the term of the loan is greater than five years. The Participant's negotiation of the check representing the loan proceeds will be the Participant's agreement to the loan terms, the pledge and assignment, and payroll deduction. If the loan is for a home loan and the term of the loan is greater than five years, the Participant will be required to sign a promissory note, pledge and assignment. The Participant's negotiation of the check representing the loan proceeds will be the Participant's agreement to the loan terms, the pledge and assignment, and payroll deduction. All loans will bear a commercially reasonable rate of interest, which Employer has determined to be the Wall

Street prime rate at the time of the loan plus one percentage point. Changes in the prime rate will be implemented by the Loan Administrator when it is reasonably administratively feasible to do so.

The loan must provide for periodic repayments under a level amortization schedule through payroll deduction, the frequency of repayments based on the Employer's payroll cycle. In no event may repayments be made less frequently than quarterly.

For all loans, prepayment of principal and interest shall be allowed only if the entire remaining outstanding loan balance is paid in full.

The term of repayment of a loan must not be greater than five years.

A loan, if not otherwise due and payable, is due and payable on termination of the Participant's employment or on termination of the Plan, notwithstanding any contrary provision in the promissory note. Nothing in this loan policy restricts Employer's right to terminate the Plan at any time.

The law treats the amount of any loan not repaid as agreed as a loan default. A defaulted loan not paid within the cure period will be deemed distributed and result in income tax consequences to the Participant.

Suspension Of Payments During Leave Of Absence – Your loan payments may be suspended for up to one year during an approved leave of absence. However, under no circumstances may the loan term be greater than five years.

Military Service - If a Participant takes a leave of absence from the Employer because of service in the military, the Plan shall suspend loan repayments until the Participant's completion of military service or until the Participant's fifth anniversary of commencement of military service, if earlier. The Employer will provide the Participant with a written explanation of procedures to extend the payment term for a military leave of absence and the effect of the Participant's military service on his or her Plan loan.

Collateral For Loan - A Participant shall secure a loan with an irrevocable pledge and assignment of an amount equal to the amount of the loan up to 50% of the Participant's vested account balance in the Plan determined as of the date the loan is granted. The Loan Administrator will not permit the Participant to secure a loan with any other collateral, including a mortgage.

Default - The Loan Administrator will treat a loan as in default if any of the following events occur:

1. A scheduled payment is not timely made; or
2. A loan is not paid in full after termination of employment; or
3. The Participant receives a distribution of the Participant's entire vested account balance (including any loans).

Cure Period - In the event a Participant misses a scheduled payment, the Participant may cure the default by making all missed payments before the expiration of the cure period. The cure period shall expire on the last day of the calendar quarter following the calendar quarter during which the event of default occurred. Notwithstanding the previous sentence, the cure period may not extend beyond the original maturity date of the loan.

Acceleration And Offset - Upon default and the expiration of the cure period, the then outstanding principal balance and unpaid interest calculated to the last day of the cure period shall be immediately due and payable. If allowed by the Plan, the vested accounts in the Plan provided as security for the loan shall be offset by the amount of such outstanding principal balance and unpaid accrued interest. In the case of a

Participant who is actively employed on the date of default this offset will not occur until the Participant separates from service with the Employer unless the Participant is entitled to an in-service distribution. If the Participant is entitled to an in-service distribution, the outstanding principal balance and unpaid accrued interest will be offset against the Participant's account balance. No notice shall be required prior to the offset. The Loan Administrator will treat the note as repaid to the extent of any permissible offset and report it as a taxable distribution to the Participant. If the Plan does not permit an immediate offset, the then outstanding principal balance and unpaid interest calculated to the last date of the cure period shall be treated as a deemed distribution and reported as taxable income to the Participant. If the default is treated as a deemed distribution, the unpaid balance will continue to accrue interest until the outstanding principal and accrued interest is paid in full.

Accounting For Loan - A loan made to a Participant will be made only from the Participant's vested account balance. If a loan is made from a Participant's account that is invested in more than one investment fund, the amount withdrawn in order to make the loan shall be charged to each investment fund in the same proportions as the account is invested in each investment fund. All repayments of principal and interest shall be reinvested in accordance with the Participant's investment elections in effect at the time the repayment is received, and if the loan was taken from more than one account, repayments to the accounts shall be made on a pro rata basis.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

City of Jonesboro, Arkansas

By: \_\_\_\_\_

Title: \_\_\_\_\_



Legislation Details (With Text)

**File #:** RES-18:109    **Version:** 1    **Name:** AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 401 (a) DEFINED CONTRIBUTION PLAN

**Type:** Resolution    **Status:** In Committee

**File created:** 7/3/2018    **In control:** Finance & Administration Council Committee

**On agenda:**    **Final action:**

**Title:** A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 401 (a) DEFINED CONTRIBUTION PLAN

**Sponsors:** Human Resources, Finance

**Indexes:** Employee benefits

**Code sections:**

**Attachments:** [Amendment Two to 401\(a\)](#)

Date	Ver.	Action By	Action	Result
7/13/2018	1	Finance & Administration Council Committee		

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE CONTRACT WITH 1ST SECURITY BANK, INTRUST, N.A. AND NESTEGG CONSULTING INC, TO PROVIDE SERVICES FOR THE CITY OF JONESBORO NON UNIFORMED EMPLOYEES 401 (a) DEFINED CONTRIBUTION PLAN

WHEREAS, the City Council has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan (the “Plan”); and

WHEREAS, Section 8.1 of the Plan allows the City, through appropriate action of the City Council, to amend the Plan at any time and from time to time; and

WHEREAS, the City desires the amend the Plan in the manner stated in the attached hereto Amendment Two to the City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan (the “Amendment”).

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council hereby approves and adopts the Amendment; and

Section 2: The Mayor and City Clerk are hereby authorized to execute such Amendment.

**AMENDMENT TWO  
TO THE  
CITY OF JONESBORO, ARKANSAS  
NON-UNIFORMED EMPLOYEES 401(a)  
DEFINED CONTRIBUTION PLAN**

This AMENDMENT is hereby adopted by the City of Jonesboro, Arkansas.

WHEREAS, the City of Jonesboro, Arkansas, a municipality of the State of Arkansas, (the "Employer") has previously established the City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan (the "Plan"); and

WHEREAS, pursuant to Section 8.1 of the Plan, the Employer, by appropriate action of the City Council, has the right at any time and from time to time to amend the Plan; and

WHEREAS, in order to allow monthly entry into the Plan, the Employer desires to amend the Plan at this time in the manner set forth herein.

NOW, THEREFORE, effective as of July 17, 2018 the Plan is hereby amended as follows:

1. The first sentence of Section 3.2(a) of the Plan is hereby amended so as to now read as follows:

An Eligible Employee shall become a Participant effective as of the first day of the calendar month coinciding with or next following the date that he or she meets the eligibility requirements of Section 3.1; provided, however, prior to July 17, 2018, Eligible Employees became Participants in the Plan effective as of the first day of the Plan Year quarter coinciding with or next following the date that the requirements of Section 3.1 were met.

IN WITNESS WHEREOF, the Employer has executed this Amendment as of the 17th day of July, 2018.

CITY OF JONESBORO, ARKANSAS

By: \_\_\_\_\_  
Harold Perrin, Mayor

ATTEST:

By: \_\_\_\_\_  
Donna Jackson, City Clerk