

**DEPARTMENT OF THE TREASURY
EXECUTIVE OFFICE FOR ASSET FORFEITURE**

DIRECTIVE NO. 18

DATE: May 29, 2014

SUBJECT: Policy for Reimbursements to State and Local Law Enforcement Agencies Involved in Joint Operations with Federal Agencies Participating in the Treasury Forfeiture Fund

1. **PURPOSE.** This Department of the Treasury Executive Office for Asset Forfeiture (TEOAF) Directive No. 18 establishes Treasury policy for reimbursements for authorized expenses to state and local law enforcement agencies (LEAs) involved in joint operations with the federal agencies participating in the Treasury Forfeiture Fund (TFF) (hereinafter referred to as "TFF Agencies").
2. **SCOPE.** This Directive applies to all TFF Agencies, state and local LEAs involved in joint operations with the TFF Agencies, and TEOAF.
3. **POLICY.** Funds from the TFF may be used to reimburse certain costs incurred by state and local LEAs when they are involved in joint operations with the TFF Agencies. These reimbursements do not constitute a federal grant to the state or local LEA. Overtime salaries, travel, fuel, training, equipment, and other similar costs of state and local law enforcement officers that are incurred in a joint law enforcement operation with a TFF Agency can be authorized for reimbursement. The following general guidelines are applicable to this policy.

A. Agencies Eligible to Receive Joint Operations Reimbursements

(1) Reimbursable expenses must be expenses incurred by a state or local law enforcement officer or agency. These expenses do not include costs of federal personnel; private individuals or entities; administrative personnel; or other state or local officials who are not classified as "law enforcement officers." It will, however, include permissible costs incurred by state or local prosecutors.

(2) The state or local law enforcement officer(s) must be involved in a joint law enforcement operation with a TFF Agency. At this time this policy covers joint operations, including Organized Crime Drug Enforcement Task Force (OCDETF) cases, where the TFF Agency is the lead or sole federal agency.

The TFF Agencies are: (a) Internal Revenue Service, Criminal Investigations (IRS-CI); (b) U.S. Customs and Border Protection (CBP); (c) U.S. Immigration and Customs Enforcement, Homeland Security Investigations (ICE-HSI); and (d) U.S. Secret Service (USSS).

(3) A "joint law enforcement operation" (or "joint operation" for short) is a law enforcement effort which:

(a) Is designed to disrupt crime through the arrest of criminal offenders and the seizure of tainted assets, using accepted methods of investigation such as intelligence gathering and sharing, evidence gathering, informant debriefing, witness interviews, crime scene and forensic analysis, electronic monitoring, data analysis, etc.;

(b) Is conducted using authorized methods of investigation in order that the arrests and seizures become effective prosecutions and forfeitures before the courts of the United States or of the state in which the operation exists; and

(c) Involves direct participation of at least one agent of a TFF Agency in other than an oversight or coordination capacity; that is, in an operational capacity.

(4) "Direct participation" of a TFF Agency is defined as:

(a) Significant involvement sustained in investigations, arrests, prosecutions, and related activities.

(b) TFF Agency resources need not be actively engaged in the operation at all times; nonetheless, they should be committed when the joint operation is active.

(c) Agent participation is essential to, but not the only measure of, TFF Agency direct participation in a joint operation. The TFF Agency participation can be bolstered further through the provision of intelligence data, informants, administrative support, and TFF Agency-owned equipment and space. The operational activities of the joint operation must represent a significant and official part of the duties of the agents assigned to the operation by the TFF Agency. This entails work beyond that of an advisory nature, and also beyond emergency or circumstantial operational assistance.

B. Criteria for Joint Operations Reimbursements

(1) Reimbursements may be made to the extent they are included in the TFF Agency's Fiscal Year Plan, and to the extent that the funds are available within the TFF to satisfy the request.

(2) As a general rule, the reimbursable payment of overtime costs incurred by state or local LEAs participating in a TFF Agency investigation shall be limited to \$15,000 per officer per fiscal year. In exceptional circumstances, TFF Agencies may request from TEOAF that a certain officer be allowed to incur overtime charges exceeding the \$15,000 cap per fiscal year.

(3) TFF reimbursements can only be made for those expenses that are authorized by statute¹. Payment of salaries of state or local officers, either directly or indirectly is not authorized.

(4) All costs to be reimbursed must be directly related to the joint law enforcement operation.

(5) Examples of permissible reimbursements include, but are not limited to: (a) overtime, travel and training for state and local law enforcement personnel involved in the joint operation; (b) surveillance equipment, cellular telephone costs, payments to a confidential informant, purchase of stolen property as evidence, translation costs of evidentiary tapes, and remote body-worn transceivers for undercover work used in the joint operation; (c) rental or lease of unmarked vehicles used in the joint operation; (d) rental of off-site locations for electronic monitoring or an off-site command post used in the joint operation; and (e) leasing of copying, scanning, or facsimile machines only if the machines are used solely for the joint operation.

(6) This authority does not include the reimbursement of costs for items not directly related to the joint law enforcement operation or for items of non-law enforcement purpose. Examples of ineligible expenses

¹ 31 U.S.C. § 9703(a)(1)(I) authorizes reimbursement for "overtime, travel, fuel, training, equipment, and other similar costs of state or local law enforcement officers that are incurred in joint law enforcement operations" with a TFF Agency.

include, but are not limited to: (a) electronic entertainment equipment (e.g., televisions, stereos, video game software and subscriptions, video game platforms, etc); (b) outdoor entertainment equipment and/or appliances (e.g., grills, patio furniture, sun decks, fire pits or places, waterfalls or features, etc.); (c) kitchen appliances (e.g., stoves, refrigerators, dishwashers, etc.); (d) exercise equipment; and (e) purchase of automobiles or other conveyances and vehicles.

Reimbursable investigative expenses also do not include public education, violent crime and rape assistance programs, and similar outreach efforts. Damage to private property resulting from the law enforcement operation (i.e., tort-based claims, settlements or awards the state or local LEA must pay as a result of actions during the operation, etc.) are also not reimbursable costs.

C. Subject to Audit

(1) This program is subject to audit by TEOAF, the TFF Agency, the Department of the Treasury Office of Inspector General, the General Accounting Office, and any other government-designated auditing organization.

(2) These audits may include reviews of any and all records, documents, reports, accounts, invoices, receipts or expenditures relating to this program; as well as the interview of any and all personnel involved in this program.

(3) The TFF Agencies and the state and local LEAs shall maintain all records relating to these transactions for three years; and in the event of an on-going audit, until the audit is completed.

4. RESPONSIBILITIES.

A. The TFF Agency involved in the joint operation shall (1) ensure, by observation and review of documentation, that the state and local costs are permissible for reimbursement under the statute and this Directive and directly related to the joint operation; and (2) maintain sufficient, accurate records to support their verification and approval of any claims for reimbursement of expenses from the state and local LEAs for three years, and in the event of an on-going audit, until the audit is completed.

B. Each participating state or local LEA shall maintain sufficient, accurate records to support any claims for reimbursement of expenses for three years, and in the event of an on-going audit, until the audit is completed. These records may contain, but are not limited to: (1) records required by federal, state, and local taxing authorities; (2) records required by the labor departments; (3) records required by state and local law or policy; and (4) original invoices for services, equipment, travel, etc.

5. PROCEDURES

Below is a summary of the procedures for reimbursements to state and local LEAs involved in joint operations with TFF Agencies, including: designating reimbursement limits for joint operations, establishing an obligation for reimbursement, increasing/decreasing an obligation, requesting a reimbursement (aka invoicing), correcting an invoice error, reporting and inquiries, and accessing the Joint Operations Automated System (JOAS).

A. Designating Reimbursement Limits for Joint Operations

The designation of reimbursement limits does not constitute an obligation for reimbursement, but only serves as a basis for notifying agencies of their reimbursement limits for that fiscal year.

(1) At the beginning of a new fiscal year (FY), TEOAF notifies each TFF Agency of the amount of funds it has designated for reimbursements for joint operations. A designated TEOAF official accesses the JOAS and inputs the respective amount for each TFF Agency.

(2) Each TFF Agency's designated headquarters (HQ) official accesses the system to view the dollar amount allocated to the agency, and further allocates these reimbursement limits to its field offices by entering the respective amounts into the system.

(3) At any point of time during the fiscal year, the TFF Agency's designated HQ official can re-allocate the reimbursement limits to its field offices, up to the dollar amount allocated to the agency by TEOAF.

B. Establishing an Obligation for Reimbursement

The establishment of the Obligation for Reimbursement includes the following steps:

(1) The *Agreement Between Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund and State or Local Law Enforcement Agency for the Reimbursement of Expenses in Joint Operations* (also commonly referred to as a "memorandum of understanding" or "MOU") must be signed and in effect. One agreement is required per state or local LEA, not per joint operation. The signed hard-copy original of the agreement is maintained by the TFF Agency for the life of the agreement plus three years. A copy should be provided to the state or local LEA for its records. (See *Attachment A*.)

As required by the agreement, within 10 days of the effective date and before submitting its first request for reimbursement of joint operations expenses, the state or local LEA must provide the TFF Agency with the required information for the officers assigned to the joint operation and its designated point(s) of contact.

(2) The *Request to Establish Reimbursement for State or Local Law Enforcement Agency Participating in Joint Operations* (also referred to as the "Obligation Form") must be generated in the JOAS by the TFF Agency's designated HQ official. (See *Attachment B*.)

C. Increasing/Decreasing an Obligation

(1) An obligation can be increased or decreased by the TFF Agency designated obligation official at any time, by accessing the original Obligation Form in the JOAS, editing this form to indicate a new obligation amount, and submitting it.

(2) Once TEOAF approves and the National Finance Center (NFC) acknowledges the amended obligation, the obligation amount has been formally changed. A copy of the revised obligation should be provided to the state or local LEA for its records as needed.

(3) The NFC makes any necessary entries/updates to the NFC accounting and finance system.

D. Requesting a Reimbursement (aka Invoicing)

(1) To request reimbursement for officers' overtime and other non-overtime expenses associated with a specific joint operation, the state or local LEA must complete and submit the TEOAF form, *State or Local*

*Law Enforcement Agency Request for Reimbursement of Joint Operations Expenses*² (also referred to as the “Request for Reimbursement Form” or “invoice), along with copies of supporting documents (i.e., payroll records, receipts, invoices, etc.), to the TFF Agency’s field office. (See Attachment C.)

(2) Upon receipt by the TFF Agency’s field office, the Group Supervisor (or other designee in charge of that joint operation) reviews the request for accuracy and compliance. The reviewing official should be familiar with the specific joint operation and able to verify the overtime hours claimed and the validity of the non-overtime expenses incurred. Each Request for Reimbursement must be signed by the TFF Agency designated official to document and certify its verification.

(3) After the review and certification of the Request for Reimbursement, a designated person at the TFF Agency HQ or field office enters the information into the Invoice Form in the JOAS.

(4) Once an Invoice Form is submitted in the JOAS, the TFF Agency designated official reviews and approves the invoice.

(5) Following the approval of the invoice by the TFF Agency, the NFC acknowledges receipt of the invoice and makes the respective entries/updates in the NFC accounting and finance system.

(6) Once the Invoice Form is approved by all required TFF Agency designated officials and receipt is acknowledged by the NFC, the NFC pays the invoice. The NFC periodically emails to the TEOAF Joint Operations Program Manager a spreadsheet with the payment information, including payment date and wire transfer number, for all payments made within a specified time period, and this information is uploaded into the JOAS.

E. Correcting an Invoice Error

(1) Under-invoicing error: If an under-invoicing error was made, and was only discovered after the Invoice Form reached the NFC, this error can be corrected by either adding the missing expenses to the next month’s invoice, or submitting a Supplemental Invoice for the same month. Only one Supplemental Invoice per month is allowed. If another under-invoicing mistake is discovered in the same invoice, the additional expense should be incorporated into the next month’s invoice.

The submission of overtime expenses in excess of the currently established cap of \$15,000 per fiscal year, or the amount established through an exemption from TEOAF, does not constitute an under-invoicing error. Invoicing of overtime expenses in excess of the maximum allowable amount will not be reimbursed.

(2) Over-invoicing error: If an over-invoicing error occurs and is only discovered after the invoice has reached the NFC (and there is no easy way to subtract the extra amount from the next month’s invoice), the NFC makes the correction in the JOAS after receiving a reimbursement check from the person or organization that was overpaid.

F. Reporting and Inquiries

(1) Authorized TFF Agency officials at the field office can query the JOAS to check the status of actions for their respective field office, including: (a) Requests for Reimbursement submitted; (b) payments made to any officers assigned to its joint operations; (c) currently existing obligations, funds expended and

² Current version of form is available at <http://www.treasury.gov/resource-center/terrorist-illicit-finance/Asset-Forfeiture/Documents/joint-ops-obligation.pdf>.

obligation balances; (d) currently existing agreements (aka MOUs) with state and local LEAs; and (e) other pertinent information (e.g., contact information and names and types of joint operations for the respective field office).

(2) Authorized TFF Agency officials at HQ can query the JOAS for the actions listed above for any field office and the total for their respective agency. In addition, they can query the system and receive other information, such as standard reports on the current allocation/obligation of the joint operations funds, for any field office or the entire agency.

TFF Agencies cannot access information pertaining to another TFF Agency's joint operations. Similarly, TFF Agency field offices cannot access information pertaining to another field office.

(3) Authorized TEOAF officials can query the JOAS for the actions listed above for all of the TFF Agencies and their field offices.

(4) Standard reports are available in the JOAS. (*See Attachment D for examples of reports.*)

G. Accessing the Joint Operations Automated System

Each TFF Agency's (HQ or Field Office) System Administrator controls a list of authorized users of the JOAS at the agency, and their access rights. The TFF Agency HQ System Administrator designates Field Office System Administrators, and activates their access rights. TEOAF grants access rights for each TFF Agency HQ System Administrator and for the NFC System Administrator. The system automatically ensures that only authorized users can submit joint operation forms or view the data.

Additional details on how to use the JOAS to implement the above procedures are provided in the process documentation, *Procedures for the Joint Operations Automated System*. (*See Attachment D.*)

6. AUTHORITY. 31 U.S.C. § 9703; Treasury Directive 27-03, "Organizations and Function of the Office of the Assistant Secretary (Enforcement)"; Delegation Memorandum dated May 19, 1995, "Technical Correction to EOAF Delegation of Authority"; and Treasury Order 102-14, March 24, 2007, "Delegation of Authority with Respect to the Department of the Treasury Forfeiture Fund."

7. INFORMATION CONTACT. Any inquiries pertaining to this Directive should be directed to TEOAF's Joint Operations Program at (202) 622-9600.

8. CANCELLATION. TEOAF Directive No. 18, "Policy for Payment(s) to Local, County, and State Police Officers Involved in Joint Operations with Federal Agencies Participating in TFF," October 7, 1994 (revised December 2006), is hereby superseded.

9. EFFECTIVE DATE. May 29, 2014.

/S/
Eric Hampl
Director
TEOAF

ATTACHMENT A – Agreement Between Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund and State or Local Law Enforcement Agency for the Reimbursement of Expenses in Joint Operations

ATTACHMENT B – Request to Establish Reimbursement for State or Local Law Enforcement Agency Participating in Joint Operations

ATTACHMENT C – State or Local Law Enforcement Agency Request for Reimbursement of Joint Operations Expenses

ATTACHMENT D – Procedures for the Joint Operations Automated System

ATTACHMENT A

Agreement Between Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund and State or Local Law Enforcement Agency for the Reimbursement of Expenses in Joint Operations

**AGREEMENT BETWEEN FEDERAL LAW ENFORCEMENT AGENCY
PARTICIPATING IN THE TREASURY FORFEITURE FUND AND
STATE OR LOCAL LAW ENFORCEMENT AGENCY
FOR THE REIMBURSEMENT OF EXPENSES IN JOINT OPERATIONS**

This agreement is entered into by the [Name of State/Local Law Enforcement Agency] (hereinafter referred to as “State/Local LEA”) and the [Name of Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund], a participant in the Treasury Forfeiture Fund (TFF), (hereinafter referred to as “TFF Agency”) for the purpose of receiving reimbursable costs incurred by the State/Local LEA in providing resources to joint operations.

Reimbursements may be made to the extent they are included in the TFF Agency’s Fiscal Year Financial Plan, and the funds are available within the TFF to satisfy the requests for reimbursement.

I. EXECUTION AND TERMINATION OF THIS AGREEMENT

This agreement is effective on the date it is signed by both parties to this agreement and terminates when explicitly terminated by either the TFF Agency or the State/Local LEA.

II. AUTHORITY

This agreement is established pursuant to the provisions of 31 U.S.C. 9703 and the Treasury Forfeiture Fund Act of 1992 which provide for the reimbursement of certain expenses of state and local law enforcement agencies (LEAs) incurred as participants in joint operations with federal LEAs participating in the TFF.

III. PURPOSE OF THIS AGREEMENT

This agreement establishes the procedures and responsibilities of both the State/Local LEA and the TFF Agency for the reimbursement of certain overtime and other expenses pursuant to 31 U.S.C. § 9703.

IV. NAME OF TASK FORCE (if applicable)

The name of this task force is: [Name of Task Force].

The projected dates of operation are: [Start Date] to [End Date].

V. CONDITIONS AND PROCEDURES

A. Compliance with Federal Statutes and Regulations

Compliance with 31 U.S.C. § 9703, the Treasury Forfeiture Fund Act of 1992 and TEOAF Directive 18, "Policy for Reimbursements to State and Local Law Enforcement Agencies Involved in Joint Operations with Federal Agencies Participating in the Treasury Forfeiture Fund," is a requirement for this agreement.

B. Assignment of State/Local LEA Officers

1. To the maximum extent possible, the State/Local LEA shall assign dedicated officers to the joint operation.
2. Within 10 days of the effective date of this agreement, the State/Local LEA shall provide the TFF Agency with the following information for each officer assigned to the joint operation:
 - a. Name;
 - b. Title, grade, or rank;
 - c. Badge or ID number; and
 - d. Hourly overtime wage rate.

C. Requests for Reimbursement of Joint Operation Expenses

1. The State/Local LEA may request reimbursement for payment of overtime expenses directly related to work performed by its officers assigned as members of a joint operation with the TFF Agency for the purpose of conducting official investigations. The State/Local LEA may also request reimbursement of other non-overtime expenses directly related to the joint operation.
2. Within 10 days of the effective date of this agreement, the State/Local LEA shall provide the TFF Agency with the following information for the designated point of contact:
 - a. Name;
 - b. Title;
 - c. Telephone number; and
 - d. Email address.
3. Requests for reimbursement for the payment of overtime and non-overtime expenses to the State/Local LEA must be submitted on the agency's letterhead or the TEOAF form, *State or Local Law Enforcement Agency Request for Reimbursement of Joint Operations Expenses* (also referred to as the "Request for Reimbursement Form"), along with copies of supporting documents (i.e., payroll records, receipts, invoices, etc.). If

on agency letterhead, the request must contain the same information contained in the Request for Reimbursement Form.

(See Attachment C of TEOAF Directive 18, "Policy for Reimbursements to State and Local Law Enforcement Agencies Involved in Joint Operations with Federal Agencies Participating in the Treasury Forfeiture Fund," for a copy of the Request for Reimbursement Form.)

4. An authorized representative of the State/Local LEA must sign and certify that the request is for overtime and/or other non-overtime expenses incurred by the agency for participation with the joint operation under this agreement. The State/Local LEA shall also certify that the request has not been made to any other federal LEA that may also be participating with the joint operation.
5. The State/Local LEA acknowledges that the agency remains fully responsible for its obligations as the employer of the officers assigned to the joint operation and is responsible for the payment of overtime earnings, withholdings, insurance coverage, and all other requirements by law, regulation, ordinance, or contract regardless of the reimbursable overtime charges incurred.
6. The State/Local LEA shall submit all Request for Reimbursement Forms, together with the required supporting documentation, to the TFF Agency, Attention: [Name of Person/Title], [Mailing Address], [Contact Phone Number], [Contact Email Address].
7. All requests for reimbursement of costs incurred by the State/Local LEA must be approved and certified by the TFF Agency. The TFF Agency shall countersign the Request for Reimbursement Forms.
8. The maximum reimbursement for overtime worked on behalf of the joint operation under this agreement is set at \$15,000 per officer per fiscal year.

D. Program Audit

This agreement and its procedures are subject to audit by the Treasury Executive Office for Asset Forfeiture (TEOAF), the TFF Agency, the Department of the Treasury Office of Inspector General, the General Accounting Office, and any other government-designated auditing organization. The State/Local LEA agrees to permit such audits and agrees to maintain all records relating to these transactions for a period of not less than three years; and in the event of an on-going audit, until the audit is completed.

These audits may include reviews of any and all records, documents, reports, accounts, invoices, receipts or expenditures relating to this agreement; as well as the interview of any and all personnel involved in these transactions.

E. Revisions

The terms of this agreement may be amended upon the written approval of both the State/Local LEA and the TFF Agency. The revision becomes effective upon the date of approval.

F. No Private Right Created

This is an agreement between a federal LEA and a state or local LEA and is not intended to confer any right or benefit to any private person or party.

[Name/Title]
[Name of State/Local LEA]

Date: _____

[Name/Title]
[Name of TFF Agency Local/District Office]

Date: _____

[Name/Title]
[Name of State/Local LEA]

Date: _____

[Name/Title]
[Name of TFF Agency Headquarters Office]

Date: _____

ATTACHMENT B

Request to Establish Reimbursement for State or Local Law Enforcement Agency Participating in Joint Operations

**REQUEST TO ESTABLISH REIMBURSEMENT FOR
STATE OR LOCAL LAW ENFORCEMENT AGENCY
PARTICIPATING IN JOINT OPERATIONS¹**

TFF AGENCY:	OCDETF? _____ YES _____ NO
MAILING ADDRESS:	OCDETF CASE NUMBER:
	FOR OVERTIME: _____ YES _____ NO
	FOR OTHER: _____ YES _____ NO
CONTACT PERSON:	CONTACT TELEPHONE NUMBER:
CONTACT EMAIL ADDRESS:	REQUEST DATE:
TFF AGENCY FIELD OFFICE APPROVAL (NAME & SIGNATURE)	TFF AGENCY HEADQUARTERS APPROVAL (NAME, SIGNATURE & DATE)

TFF TRACKING NUMBER
(WILL BE ASSIGNED BY TEOAF)



FULL NAME, ADDRESS, TELEPHONE AND TAXPAYER IDENTIFICATION NUMBER OF STATE OR LOCAL AGENCY	EXPENSES TO BE REIMBURSED	ESTIMATED COSTS
TFF APPROVAL AND DATE		TOTAL ESTIMATED COSTS
ACCOUNTING DATA: BFYS: _____ FUND: _____ BUDPLN: _____ ORG: _____ PROGRAM: _____ OCC: _____		

¹ "Joint operation" as defined in TEOAF Directive 18, "Policy for Reimbursements to State and Local Law Enforcement Agencies Involved in Joint Operations with Federal Agencies Participating in the Treasury Forfeiture Fund."

ATTACHMENT C

State or Local Law Enforcement Agency Request for Reimbursement of Joint Operations Expenses



STATE OR LOCAL LAW ENFORCEMENT AGENCY REQUEST FOR REIMBURSEMENT OF JOINT OPERATIONS EXPENSES

TO: IRS ICE-HSI USSS CBP

TFF TRACKING NUMBER

NAME OF AGENCY: _____ OCDETF CASE: _____ YES _____ NO
ADDRESS: _____ OCDETF CASE #: _____
_____ TAX IDENTIFICATION #: _____
CONTACT PERSON: _____ TELEPHONE #: () _____
DATES FOR WHICH THIS REIMBURSEMENT IS REQUESTED FROM: _____ TO: _____

OVERTIME EXPENSES

NAME OF OFFICER	TITLE(S)	# OVERTIME HOURS	COST PER HOUR	TOTAL (\$)
TOTAL OVERTIME AMOUNT REQUESTED:				\$

TOTAL NUMBER OF REGULAR HOURS WORKED DURING THIS BILLING PERIOD ON CASES FOR WHICH OVERTIME WAS REQUESTED BY THE OFFICERS LISTED ABOVE: _____ HOURS

OTHER NON-OVERTIME EXPENSES

PURPOSE AND OR TYPE OF EXPENSES	COST (\$)	
TOTAL OTHER NON-OVERTIME EXPENSE AMOUNT REQUESTED:		\$

TOTAL AMOUNT REIMBURSEMENT REQUESTED:	\$
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I CERTIFY THAT THE INFORMATION PROVIDED ABOVE OR AS ATTACHED HERETO IS ACCURATE AND REPRESENTS ACTUAL COSTS INCURRED BY THIS AGENCY FOR PROVIDING RESOURCES TO THE TFF AGENCY.

NAME	TITLE/HEAD OF AGENCY	SIGNATURE	DATE

CERTIFIED BY: _____ NAME/TITLE/SIGNATURE OF TFF AGENCY PRINCIPAL FIELD OFFICE _____ DATE _____

TFF REVIEW: _____ DATE: _____

NOTE: OCDETF CASES – A copy of this document shall be sent to the Agency Core City Coordinator.

ATTACHMENT D

Procedures for the Joint Operations Automated System

1. System Overview

The Department of the Treasury Executive Office for Asset Forfeiture (TEOAF) Joint Operations Automated System (JOAS) is a web-based application hosted on the Treasury network. This system was designed specifically to facilitate the processing of obligations and requests for reimbursement (also referred to as “invoices”) related to the joint operations of Treasury Forfeiture Fund (TFF) participating agencies (TFF Agencies) with state or local law enforcement agencies (LEAs), and assist the TFF Agencies in managing joint operations funds. The system is accessible by both Treasury and the Department of Homeland Security (DHS) agencies participating in the TFF.

Each entity, including TFF Agency headquarters (HQ) and field offices, TEOAF and National Finance Center (NFC), must have a designated user assigned as the Primary Approver. The Primary Approver receives notification emails from the system on certain events pertaining to that entity (e.g., new obligations or invoices are awaiting HQ approval, or a new obligation has been established for a field office's joint operation allowing invoices to be submitted). The Primary Approver has the same approval authority as other designated approvers; however, this individual is the only person receiving notification emails. Also, each entity must have an assigned System Administrator who is responsible for keeping track of the entity's users, updating user information in the system when people retire or resign, setting up new users, and assigning a temporary primary approver when the main primary approver is on leave. The same person can perform as both the Primary Approver and System Administrator.

Each TFF Agency can only view information pertaining to its respective agency. Within a specific agency, field office users can only view information pertaining to their particular field office, whereas the HQ users have access to all data pertaining to their agency. Each agency designates officials responsible for processing the joint operations payments via the automated system, both at HQ and at each field office. The number of designees is left to the TFF Agency's discretion.

2. System Setup

To use the JOAS, each TFF Agency needs to perform some minimal initial data entry into the system:

- (a) Field office information (e.g., name, 2-digit code, contact information);
- (b) State and local LEAs involved in joint operations (e.g., name, National Crime Information Center (NCIC) code, contact information, list of officers assigned to the agency's joint operations);
- (c) Information from the *Agreement Between Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund and State or Local Law Enforcement Agency for the Reimbursement of Expenses in Joint Operations* (also commonly referred to as a “memorandum of understanding” or “MOU”) (e.g., parties involved, termination date); and
- (d) General information about each joint operation (e.g., TFF Tracking Number (REIM), mission).

This information is entered just once and only edited when changes occur. It does not need to be re-entered each fiscal year (FY). It is also used by the system to pre-fill a number of fields in other system

modules, including the Obligation and Invoice Forms, which means the data entry required during a fiscal year is essentially limited to the fields for Obligation Amount and Overtime/Non-overtime expenses.

The source of and how to enter this information into the JOAS is further explained in the detailed procedures below.

3. System Procedures

A. Designating Reimbursement Limits for Joint Operations

The designation of reimbursement limits does not constitute an obligation for reimbursement, but only serves as a basis for notifying agencies of their reimbursement limits for that fiscal year.

(1) At the beginning of a new fiscal year (FY), TEOAF notifies each TFF Agency of the amount of funds it has designated for reimbursements for joint operations. A designated TEOAF official accesses the JOAS and inputs the respective amount for each TFF Agency, which triggers a notification message that is automatically sent to each TFF Agency's designated HQ official in charge of joint operations.

(2) Each TFF Agency's designated HQ official accesses the system to view the dollar amount allocated to the agency, and further allocates these reimbursement limits to its field offices by entering the respective amounts into the system. Simultaneously, email messages are sent automatically to designated field office officials (e.g., Supervisory Agents in Charge (SACs) or Assistant SACs) notifying them that the reimbursement limits have been allocated to their field offices.

(3) At any point of time during the fiscal year, the TFF Agency's designated HQ official can re-allocate the reimbursement limits to its field offices, up to the dollar amount allocated to the agency by TEOAF. To do this, the HQ official accesses the respective system record, and inputs a new dollar amount. The change history which includes previous amounts and dates of changes is automatically retained in the system. Any change in the designation of reimbursement limits triggers an automatic re-calculation to ensure that the new totals are consistent, and that the new reimbursement limit does not fall below the sum of currently existing obligations.

Note: Currently, the system is set up so that both allocation of funds to the field office and further obligation of funds to the specific joint operations, are done at the TFF Agency HQ level. However, the system is set up to allow the TFF Agency to delegate the obligation function to the field office. If and when the TFF Agency is ready to make this change, it can be done by the HQ System Administrator who can access the Administrative module of the system and change the parameter.

B. Establishing an Obligation for Reimbursement

The establishment of the Obligation for Reimbursement includes the following steps:

(1) Memorandum of Understanding (MOU)

The Agreement Between Federal Law Enforcement Agency Participating in the Treasury Forfeiture Fund and State or Local Law Enforcement Agency for the Reimbursement of Expenses in Joint Operations (also commonly referred to as a "memorandum of understanding" or "MOU") must be signed and in effect. One agreement is required per state or local LEA, not per joint operation.

The signed hard-copy original of the agreement is maintained by the TFF Agency for the life of the agreement plus three years. A copy should be provided to the state or local LEA for its records.

(See Attachment A of TEOAF Directive 18, "Policy for Reimbursements to State and Local Law Enforcement Agencies Involved in Joint Operations with Federal Agencies Participating in the Treasury Forfeiture Fund," for a copy of the standard agreement template.)

(a) Once the MOU is signed by both parties, an authorized person at the TFF Agency accesses the JOAS and inputs the pertinent MOU information, including: State/Local LEA name, NCIC code, and address; and MOU effective date. The TFF Agency/field office name is set by default. The TFF Agency is also responsible for maintaining the current address of the state or local LEA. If the state or local LEA changes its address, the TFF Agency must make the necessary corrections in the system.

(b) The TFF Agency can choose to have its MOUs expire on a certain date (i.e., after 3 years), or consider them valid until explicitly terminated by either the TFF Agency or the state or local LEA. The JOAS supports both options. If an MOU is terminated, an authorized person at the field office accesses the system and inputs the MOU termination date. A hard-copy termination memo is filed together with the original MOU at the field office. The system allows an authorized user to edit an MOU at any time, for instance, to set a new expiration date when the MOU is renewed, or "un-terminate" a terminated MOU. The system keeps track of the MOU status, and does not allow the submission of invoices for a state or local LEA that does not have a current MOU with the TFF Agency.

(c) As required by the MOU, within 10 days of the MOU effective date and before submitting its first request for reimbursement of joint operations expenses, the state or local LEA provides the TFF Agency with the required information for the officers assigned to the joint operation and its designated point(s) of contact. Before the TFF Agency can start making obligations/invoices in the JOAS, a designated person at the Field Office or HQ level accesses the Entities module of the system and fills out a State/Local/County Agency Form, including:

(i) Information about the officers assigned to the joint operation, including: name, title/grade/rank, badge/ID number, and hourly overtime wage rate;

(ii) Designated point of contact information, including: name, title, telephone number, and email address; and

(iii) Financial contact information, including: name, telephone number, and email address. While the email address is a non-mandatory field, it is highly recommended that the TFF Agency fills it in and keeps it updated because the system sends automatic notification emails to the financial contact when their respective state and local LEAs are issued a reimbursement payment.

The list of the joint operations officers can be amended at any time through the Entities module, or through the Invoice module at the time of the invoice submission.

Note: Officers who retire or resign from a joint operation can be deleted from the State/Local/County Agency Form; however, it is *not advisable* to delete officers in the middle of the fiscal year. Even if the officer resigned, his/her overtime incurred in the fiscal year still needs to be included in the Year-to-Date report that provides total overtime amounts for each officer. Each field office should keep track of those officers who resigned during the fiscal year, and delete them when the next fiscal year starts.

(d) The state or local LEA provides its banking information by completing the ACH Vendor / Miscellaneous Payment Enrollment Form (ACH Form). The ACH Form is sent directly to the NFC (or, at the TFF Agency's discretion, to the HQ official in charge of joint operations who will then forward it to the NFC) and shall not be entered in the JOAS by the field office. Banking information is not stored in the system. This is an internal control designed to remove any possible concerns about the same person submitting invoices and controlling to which bank account the money is sent.

(2) Request to Establish Reimbursement

The *Request to Establish Reimbursement for State or Local Law Enforcement Agency Participating in Joint Operations* (also referred to as the "Obligation Form") must be generated in the JOAS by the TFF Agency's designated HQ official. (See *Attachment B of TEOAF Directive 18.*)

Note: As mentioned above, the system is currently set up so that the Obligation function is performed at the TFF Agency HQ level. However, the system is designed to allow the TFF Agency to delegate the Obligation function to the field office. If and when the TFF Agency is ready to make this change, it can be done by the HQ System Administrator who can access the Administrative module of the system and change a parameter.

(a) The TFF Agency initiates the Obligation Form in the JOAS as follows:

(i) Most of the form is automatically pre-filled based on the joint operation information that was entered into the system as a part of the initial MOU data entry (see step (1) above), including: TFF Tracking Number (REIM), name of joint operation (if any) and mission, TFF Agency/field office name, and State/Local LEA name.

(ii) The TFF Agency manually enters the following information in the form: dollar amount obligated for the joint operation and type of expenses to be reimbursed, including Overtime and Non-Overtime expenses.

(b) The system automatically verifies the existence of the valid MOU with the state or local LEA involved in the joint operation. If there is no valid MOU, the system displays a warning message, but nevertheless allows the user to submit an obligation. Unlike invoices, obligations are acceptable even without a valid MOU.

(c) The system assigns each obligation a REIM number, or TFF Tracking Number, which consists of nine digits that represent the following:

(i) First digit represents the TFF Agency: "1" for ICE, "2" for IRS, "3" for USSS, "4" for CBP;

(ii) Second and third digits represent the fiscal year (e.g., "13" for FY 2013);

(iii) Fourth and fifth digits represent the field office code; and

(iv) Final four digits represent the number assigned to the joint operation: 0000-0999 for CBP, 1000-1999 for ICE, 2000-2999 for IRS, 3000-3999 for USSS.

For example, REIM 313193632 refers to the obligation for USSS ("3"), for fiscal year 2013 ("13"), for Washington Field Office ("19") joint operation with George Mason University Police Department ("3632").

Note: In some cases, multiple state and local LEAs can be involved in the same joint operation. In such cases, the REIMs will be different for each LEA. On the other hand, there may be several joint operations with the same state or local LEA. In these cases, each joint operation will have a different REIM.

(d) As the Obligation Form is submitted, it goes through the following review and approval process:

(i) The system performs a check to make sure that the obligation amount being entered will not bring the sum of currently existing obligations for this specific field office over the allocated funding amount.

(ii) Next, an email message is automatically sent to the TEOAF designated official notifying him/her about a new obligation awaiting his/her approval. The system is designed to prevent a flood of notification messages to the approvers every time there is a new obligation or invoice pending their approval. Instead, each designated approver can choose two days a week (e.g., Tuesdays and Thursdays) to receive these notification messages. On these days, the system checks if there are any obligations or invoices awaiting this official's approval, and if so, sends one message notifying the official.

(iii) The TEOAF designated official accesses the system, retrieves and reviews the entire list of pending obligations or invoices, and approves them all at once on a bulk basis or on a case-by-case basis. If any of the items on the list warrant additional examination, the official marks each item as "suspended from approval", while everything else gets approved.

(iv) Once the TEOAF designated official approves the obligation, an automatic notification message is sent to the designated NFC official who accesses the system and acknowledges the pending obligation with his/her electronic signature. The NFC official then makes any necessary entries/updates to the NFC accounting and finance system.

(e) Once the Obligation Form is approved by TEOAF and acknowledged by the NFC, the Obligation for Reimbursement is formally established.

(f) The obligation is valid during a fiscal year and automatically expires at the end of the fiscal year. The Obligation Form for a specific joint operation is generated/amended for the following events:

(i) At the beginning of a new fiscal year;

(ii) Upon an increase or decrease of funds affecting a field office, a state/local LEA, or a specific joint operation within the same state/local LEA; and

(iii) When a new joint operation is set up during a fiscal year.

C. Increasing/Decreasing an Obligation

(1) An obligation can be increased or decreased by the TFF Agency designated obligation official at any time, by accessing the original Obligation Form in the JOAS, editing this form to indicate a new obligation amount, and submitting it. A revised obligation goes through the same approval process as the initial obligation.

(2) Once TEOAF approves and the NFC acknowledges the amended obligation in the system, the obligation amount has been formally changed.

The change history, which includes the revised obligation amount, date of change, and electronic signature of the person who made the change, is automatically retained in the system for information and tracking purposes.

A copy of the revised obligation should be provided to the state or local LEA for its records as needed.

(3) The NFC makes any necessary entries/updates to the NFC accounting and finance system.

D. Requesting a Reimbursement (aka Invoicing)

(1) To request reimbursement for officers' overtime and other non-overtime expenses associated with a specific joint operation, the state or local LEA must complete and submit the TEOAF form, *State or Local Law Enforcement Agency Request for Reimbursement of Joint Operations Expenses*¹ (also referred to as the "Request for Reimbursement Form" or "invoice"), along with copies of supporting documents (i.e. payroll records, receipts, invoices, etc.), to the TFF Agency's field office. (See *Attachment C of TEOAF Directive 18.*)

(2) Upon receipt by the TFF Agency's field office, the Group Supervisor (or other designee in charge of that joint operation) reviews the request for accuracy and compliance. The reviewing official should be familiar with the specific joint operation and able to verify the overtime hours claimed and the validity of the non-overtime expenses incurred. Before the Request for Reimbursement Form is certified and signed by the designated official, the following must be verified:

- (a) Officers listed actually did the work and the hours are correct;
- (b) Request does not bring the running totals for this particular joint operation over the established obligation amount;
- (c) Request does not bring the running total of overtime payment for each officer over the maximum allowable amount currently set at \$15,000 per fiscal year, or another amount approved under an exemption;
- (d) Time period covered does not overlap with other Requests for Reimbursement;
- (e) Time period covered does not cross over into the funding obligated for the subsequent fiscal year.
- (f) Amounts for non-overtime expenses are consistent with supporting documentation; and
- (g) Expenses submitted for reimbursement are allowable per the criteria set forth in this Directive.

Under no circumstances shall the designated official accept a Request for Reimbursement unless the obligation has been established with TEOAF. If no obligation exists, the designated official at the field office must immediately report it to the TFF Agency HQ official in charge of joint operations who shall resolve the issue with TEOAF.

Each Request for Reimbursement must be signed by the TFF Agency designated official to document and certify the verification of the checks listed above.

¹ Current version of form is available at <http://www.treasury.gov/resource-center/terrorist-illicit-finance/Asset-Forfeiture/Documents/joint-ops-obligation.pdf>.

(3) After the review and certification of the Request for Reimbursement, a designated person at the TFF Agency HQ or field office will access the Invoice Form module in the JOAS and input the information contained in the request. Each TFF Agency can choose whether Requests for Reimbursement shall be sent to its HQ for input into the JOAS or be input from the field office. The TFF Agency HQ System Administrator selects one of these options in the Administrative module of the JOAS.

(a) Most of the fields in the Invoice Form are pre-filled automatically. The form contains: REIM number, invoice month, overtime expenses, and non-overtime expenses. Only one invoice per month is allowed for each joint operation.

(i) Overtime expenses: This section of the Invoice Form contains the following fields: each officer's name and title, number of hours worked, hourly rate and total amount (calculated automatically). The default hourly rate for each officer in the JOAS is his/her regular hourly overtime rate. Rates may differ on weekends and holidays which means the person entering the information into the Invoice Form should check the hourly rate and, if appropriate, over-write the automatically calculated total amount.

(ii) Non-overtime expenses: This section of the Invoice Form contains the following fields: purpose, type and cost of each expense and the total amount (calculated automatically).

(iii) Supporting documentation: The JOAS also allows users, if needed, to attach documents (e.g., Adobe Acrobat, MS Word, or other format) to the Invoice Form. It is recommended that attachments only be used when they are helpful for HQ approval. It is not useful to attach the entire paperwork supporting the invoice. For instance, the TFF Agency HQ may find it useful to be able to review the list of equipment purchased by the state or local LEA; however, attaching officers' timesheets is not very useful since the HQ officials cannot verify their correctness and rely on the field offices to do this. As a general rule, the field offices are responsible for keeping all of the supporting documentation on their joint operations in their files for audit purposes.

(b) As invoices are submitted through the JOAS, the system performs several automatic checks to make sure that the running reimbursement total for this particular joint operation remains within the limit of the established obligation. The system also calculates running totals for each officer's overtime expenses and verifies that no officer exceeds the maximum allowable amount currently set at \$15,000 per fiscal year, unless the officer is granted a special exemption from TEOAF.

In exceptional circumstances, TFF Agencies may request from TEOAF, via a formal memo to the Director of TEOAF, that a certain officer be allowed to incur overtime charges exceeding the \$15,000 cap per fiscal year. If such permission is granted, a TEOAF designated official can access the system and check the "Cap Exempt? ___" box in the State/Local/County Agency module. This will cause the system to allow the submission of overtime charges for this particular officer and set a new cap up to the new cap amount.

(c) If an under- or over-invoicing mistake occurs and is identified before the Invoice Form is received by the NFC, the error may be corrected by editing the Invoice Form in the JOAS. However, if the Invoice Form has already been received by the NFC, it may have already been entered into the NFC accounting and finance system and possibly paid, so it can no longer be edited in the JOAS. In this case when an under- or over-invoicing mistake is discovered after the Invoice Form is received by the NFC, the system has two procedures in place, Supplemental Invoice and Overpayment, which are explained below in section E, "Correcting an Invoice Error."

(4) Once an Invoice Form is submitted in the JOAS, the TFF Agency designated official reviews and approves the invoice.

The JOAS allows the TFF Agency to designate one or more individuals at HQ and/or the field offices to certify and approve invoices. The TFF Agency can also designate one or more reviewers to review invoices without the authority to approve them. The reviewer saves each invoice in the system without submission and then the designated approver gives the invoice a final review and submits it on behalf of the TFF Agency.

Each TFF Agency can choose whether Invoice Forms require HQ approval or can go directly from field office approval to the NFC for payment. The TFF Agency HQ System Administrator selects one of these options in the Administrative module of the JOAS.

(5) Following the approval of the invoice by the TFF Agency, the NFC acknowledges receipt of the invoice through the Bulk Approvals process in the JOAS as explained in the Obligations process in section B above. Additionally, the NFC makes respective entries/updates in the NFC accounting and finance system.

(6) Once the Invoice Form is approved by all required TFF Agency designated officials and receipt is acknowledged by the NFC, the NFC pays the invoice. The NFC periodically emails to the TEOAF Joint Operations Program Manager a spreadsheet with the payment information, including payment date and wire transfer number, for all payments made within a specified time period. Next, the TEOAF Joint Operations Program Manager performs the Payments function in the JOAS. This process matches the information contained in the spreadsheet with the respective invoice in the JOAS and inserts the Date of Payment into the corresponding system record.

E. Correcting an Invoice Error

Note: This section explains the process for correcting an invoice error that is discovered *after* the Invoice Form is received by the NFC. If an error is identified before the Invoice Form is received by the NFC, the invoice may be corrected by editing the Invoice Form directly in the JOAS and resubmitting it in the system for approval and payment, as explained above in section D, Requesting Reimbursement (aka Invoicing).

(1) Under-invoicing error

(a) If an under-invoicing error was made, and was only discovered after the Invoice Form reached the NFC, this error can be corrected by either adding the missing expenses to the next month's invoice, or submitting a Supplemental Invoice for the same month. To submit a Supplemental Invoice for the same month, a designated official opens a "New Invoice" form in the JOAS and from the "Invoice Type" dropdown menu selects "Supplemental." The Invoice Type defaults to "Regular" and must be changed to "Supplemental" before a second invoice for the same month can be created in the JOAS.

The Invoice Form is the same for "Supplemental" and "Regular" Invoice Type. When submitting a Supplemental Invoice, it should include only expenses that were *not* included in the original Regular Invoice.

(b) To distinguish between the Supplemental Invoice and the original Regular Invoice for the same month, the Month of Invoice for Supplemental Invoices always appears in all Summaries reports with an asterisk (e.g., "January*"). It is especially important for the NFC to make sure both invoices are entered

into and paid by the NFC accounting and finance system which does not have an "Invoice Type" field that distinguishes the two invoices for the same month.

(c) Only one Supplemental Invoice per month is allowed. If another under-invoicing mistake is discovered in the same invoice, the additional expense should be incorporated into the next month's invoice.

(d) The submission of overtime expenses in excess of the currently established cap of \$15,000 per fiscal year or the amount established through an exemption from TEOAF does not constitute an under-invoicing error. Invoicing of overtime expenses in excess of the maximum allowable amount will not be reimbursed.

(2) Over-invoicing error

If an over-invoicing error occurs and is only discovered after the invoice has reached the NFC (and there is no easy way to subtract the extra amount from the next month's invoice), the NFC makes the correction in the JOAS after receiving a reimbursement check from the person or organization that was overpaid. The NFC designated user accesses the Invoice Form selects "Overpayment" from the "Invoice Type" drop-down menu, enters an explanation for error in the "Comment" field, and corrects the amount. The system credits the difference between the old (incorrect) and the new (corrected) amount back to the obligation for this joint operation.

F. Reporting and Inquiries

(1) Authorized TFF Agency officials at the field office can query the JOAS to check the status of actions for their respective field office, including: (a) Requests for Reimbursement submitted; (b) payments made to any officers assigned to its joint operations; (c) currently existing obligations, funds expended and obligation balances; (d) currently existing agreements (aka MOUs) with state and local LEAs; and (e) other pertinent information (e.g., contact information and names and types of joint operations for the respective field office).

(2) Authorized TFF Agency officials at HQ can query the JOAS for the actions listed above for any field office and the total for their respective agency. In addition, they can query the system and receive other information, such as standard reports on the current allocation of the joint operations funds, for any field office or the entire agency.

TFF Agencies cannot access information pertaining to another TFF Agency's joint operations. Similarly, TFF Agency field offices cannot access information pertaining to another field office.

(3) Authorized TEOAF officials can query the JOAS for the actions listed above for all of the TFF Agencies and their field offices.

(4) Reports available in the system include: a) Fiscal Year-To-Date Spending by Categories; b) All Invoices for Specific Field Office (Fiscal Year to Date); and c) Officers' Overtime Fiscal Year to Date for a Specific State or Local LEA.

G. Accessing the Joint Operations Automated System

Each TFF Agency's (HQ or Field Office) System Administrator controls a list of authorized users of the JOAS at the agency, and their access rights. The TFF Agency HQ System Administrator designates

Field Office System Administrators, and activates their access rights. TEOAF grants access rights for each TFF Agency HQ System Administrator and for the NFC System Administrator.

The system automatically ensures that only authorized users can submit joint operation forms or view the data.