



OKLAHOMA

Office of the State Auditor & Inspector

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Bulletin: 2024-01
Date: September 23, 2024
To: All county elected officials
Regarding: State Grants:

- County Community Safety Investment (state question 781)
- Sheriff's Office Funding Assistance Grant

The Oklahoma State Auditor and Inspector (SAI) is charged with the responsibility of prescribing a uniform system of bookkeeping for the use of all counties as set forth in 74 O.S. § 214. Under this authority, we have prescribed the accounting procedures below regarding new state grants that are available to counties.

County Community Safety Investment Funds (also referred to as state question 781 funds) are available to counties through an RFP/application process submitted to the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS). State Question 781 was approved by voters in 2016 to reclassify certain crimes and reduce incarceration rates. The savings from decreased incarcerations are to be used for treatment and diversion programs. The amount of savings is calculated by the Legislative Office of Fiscal Transparency and appropriated by the legislature. Counties (or groups of counties) may apply for these funds via an application to ODMHSAS approved in an open meeting of the board of county commissioners. Once the application is approved ODMHSAS releases the funds to the county. The prescribed procedure by SAI is as follows:

- Deposit the funds into a special cash fund titled **County Community Safety Investment Fund**.
 - **Fund#1253** for counties subject to the SAI prescribed Chart of Accounts.
- If two or more counties apply as a group, they shall have a memorandum of understanding indicating the primary county which will receive the funds.
 - The primary county will deposit the grant into the special cash fund but must track each county's portion separately.
 - For counties utilizing the SAI Chart of Accounts this may be accomplished by utilizing special expenditure codes. See the current Chart of Accounts document on our website for details: <https://www.sai.ok.gov/forms-pubs/>
 - Other counties will simply utilize sub-accounts within the fund to account for each county's portion separately.
- Detailed records must be kept for appropriate quarterly reporting to ODMHSAS.
- This grant will be subject to audit by SAI the same as all other county funds.

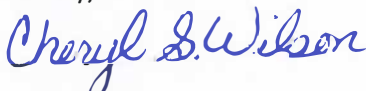
Counties may enter into contracts with other entities for the administration of the grant or appoint a county employee or department to administer the grant. Expenditures from the grant fund shall only be made upon receipt of the goods/services supported by receiving documentation and a properly itemized invoice. Itemized invoices will be necessary for proper reporting to ODMHSAS.

Sheriff's Office Funding Assistance Grant made available to counties via House Bill 2914.

- The board of county commissioners as the governing body may apply for the grant through the Office of the Attorney General.
- The grant shall be deposited into a separate cash fund titled **Sheriff's Funding Assistance Grant**.
 - **Fund number 1574** for counties subject to SAI prescribed Chart of Accounts.
- Expenditures are restricted for lawful operation of the sheriff's office excluding salaries.
- **Stipends may be paid to sheriff's office employees.**
 - Oklahoma Constitution article 23 § 10 prevents the Sheriff from being eligible for the stipend.
 - Stipends are not considered part of the employee's salary for the purposes of the salary limitation in 19 O.S. § 180.65 which limits an employee's salary to that of the elected official.
 - Stipends are considered income for retirement purposes.
 - Stipends are subject to income tax withholdings.
- The grant must be expended by June 30, 2026 or returned to the granting agency.
 - **Caution:** *Sheriffs that will not succeed themselves in office are limited to 50% of the funds allocated for said office as per 19 O.S. § 347(C) during the last six months of the term. Accordingly, 50% of this grant should remain unexpended as of December 31, 2024 unless written permission to exceed this limit is obtained by the excise board.*
- Grantee must complete and submit semi-annual financial reports to the Office of Attorney General.
- This grant will be subject to audit by SAI the same as all other county funds.

More information on this grant and other funding opportunities may be found on the Oklahoma Attorney General's website: <https://oklahoma.gov/oag/resources/grants.html>.

Sincerely,



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