

B. Use of Shared Funds

Except as noted in this *Guide*, equitably shared funds shall be used by law enforcement agencies for law enforcement purposes only. The uses outlined below are examples of permissible and impermissible expenditures. If an agency is unsure whether a proposed expenditure is permissible, it should email mlars.ESProgram@usdoj.gov for Department of Justice fund expenditures or treas.aca@treasury.gov for Department of the Treasury fund expenditures.

Shared funds may be used for any permissible agency expenditure and may be used by both sworn and non-sworn law enforcement personnel. The fact that shared property was forfeited by a particular unit or as a result of a particular federal violation does not limit its use to purchases only for that unit or to further investigations only for that particular federal violation. If an agency wishes to support a multi-agency expenditure, such as a new payroll system or city municipal building, with a non-law enforcement agency, the law enforcement agency's costs based on its use may be calculated on a pro-rata basis.

1. Permissible Uses

- a. Law enforcement operations and investigations**—Support of investigations and operations that further the law enforcement goals or missions. Examples include reward money (annual dues paid to a crime tip organization or payment for a specific reward for information in a specific case), recruitment and advertisement costs, agency accreditation or agency membership dues (but individual dues are impermissible), equitable sharing account maintenance fees, reimbursement to the jurisdiction for payments to informants, purchase of evidence, buy-back programs, and “buy” money.
- b. Law enforcement training and education**—Training of investigators, prosecutors, and sworn and non-sworn law enforcement personnel in any area necessary to perform official law enforcement duties, such as canine handler, narcotics, defensive tactics, criminal justice, language, constitutional law, accounting/finance, or forensics—provided that the employees' regular duties require knowledge of these topics. Examples include training and conference registration fees, tuition, speaker fees, or costs to produce training curricula.

This provision does not permit donations or transfers of funds to associations or organizations providing training.

- c. Law enforcement, public safety, and detention facilities**—Costs associated with the purchase, lease, construction, expansion, improvement, or operation of law enforcement, public safety, or detention facilities used or managed by the recipient agency. Examples include the costs of leasing, operating, and furnishing an off-site undercover narcotics facility. Improvements should not be made on leased property or space since the law enforcement agency will not benefit from the improvements upon termination of the lease.

Agencies must contact MLARS prior to using Department of Justice equitable sharing funds for all improvement and expansion projects. For example, the construction of a new facility or minor renovations including drywall, electrical, HVAC replacements, and internal modifications to an existing facility. Expenditures such as lease payments or utilities do not require consultation.

- d. **Law enforcement equipment**—Costs associated with the purchase, lease, maintenance (including repairs or service agreements), or operation of law enforcement equipment for use by law enforcement personnel that supports law enforcement activities. Examples include furniture, file cabinets, office supplies, telecommunications equipment, copiers, safes, fitness equipment, computers, computer accessories and software, body armor, uniforms, firearms, radios, cellular telephones, electronic surveillance equipment, vehicles (e.g., patrol and unmarked vehicles), and animals and animal-related expenses.
- e. **Joint law enforcement/public safety operations**—Costs associated with the purchase of multi-use equipment and operations used by both law enforcement and non-law enforcement personnel. Examples include 911 call center equipment, defibrillators, search and rescue boats, aircraft, and diving equipment. These expenditures are exempt from the pro-rata calculation. This provision does not include equipment to be used solely by non-law enforcement personnel, such as fire and EMS vehicles.
- f. **Contracts for services**—Costs associated with a contract for a specific service that supports or enhances law enforcement is permitted. Examples include translation and language assistance services, staffing and feasibility studies, auditor to perform an audit of equitable sharing funds, subject matter expert, grant writer, or software developer. Employment-related contracts or contracts involving inherently law enforcement functions are prohibited. Examples include hiring an attorney, investigator, or civilian personnel to perform tasks typically or previously performed by agency or jurisdiction personnel. Under no circumstances should a contract for service be entered into where the payment of that service is based on a percentage of the seizures and forfeitures of the law enforcement agency.
- g. **Law enforcement travel and per diem**—Costs associated with travel and transportation to perform or in support of law enforcement duties and activities. All related costs must be in accordance with the jurisdiction's per diem policy and must not create the appearance of extravagance or impropriety.
- h. **Law enforcement awards and memorials**—Costs associated with the purchase of plaques, certificates, and challenge coins for law enforcement personnel in recognition of a law enforcement achievement, activity, or training. Shared funds may not be used to pay awards in the form of cash or cash equivalents or stored value cards.

Shared funds may be used to pay the costs for commemorative plaques, displays, or memorials on law enforcement property that serve to recognize or memorialize a law enforcement officer's contributions, such as a memorial plaque or stone in honor of an agency's officers killed in the line of duty. The plaque, display, or memorial must not create the appearance of extravagance.

- i. **Drug, gang, and other prevention or awareness programs**—Costs associated with conducting law enforcement agency awareness programs. Examples include public service announcements, meeting costs, motivational speakers, and items used or distributed by the agency such as child identification kits and anti-crime items, literature, or software. See Section V.B.1.k for supporting non-law enforcement agency community-based programs.

- j. **Matching grants**—Costs associated with paying a state or local law enforcement agency’s matching contribution or share in a state or federal grant program for items other than salaries, provided that the grant funds are used for a permissible law enforcement purpose in accordance with this *Guide* and the grant provision permits matching with federal funds. See Section V.B.3 for information regarding the use of equitable sharing funds to match federal salary grants.
- k. **Support of community-based organizations**—Transfers of shared funds from a state or local law enforcement agency to community based non-profit organizations (501(c)(3) or (4)) whose stated missions are supportive of and consistent with a law enforcement effort, policy, and/or initiative. An agency may expend up to a total of \$25,000 annually to transfer to such organizations. Examples include a drug treatment facility, job skills program, or a youth program with drug and crime prevention education. The following requirements apply:
 - 1. Law enforcement agency head must approve the transfer and must ensure the recipient is a qualified entity;
 - 2. Agency must ensure that all transferred funds are spent permissibly in accordance with this *Guide*; and
 - 3. Agency’s jurisdiction must perform applicable sub-recipient monitoring requirements pursuant to the OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

This community-based organization provision **does not** apply to Department of the Treasury equitable sharing funds; therefore agencies may not use Department of the Treasury funds to support community-based organizations.

2. Impermissible Uses

- a. **Use of forfeited property by non-law enforcement personnel**—Personnel from non-law enforcement agencies are not permitted to use shared vehicles, forfeited property, or items retained for official use or purchased with shared funds unless the property is purchased for joint law enforcement/public safety use. See Sections V.B.1.c and e for joint public safety facilities and equipment.
- b. **Creation of endowments or scholarships**—Shared funds may not be used to create or establish endowments or scholarships.
- c. **Uses contrary to state or local laws**—Shared funds and property may not be used for any purpose that would constitute an illegal or improper use of state or local law enforcement funds or property under the laws, rules, regulations, and orders of the state or local jurisdiction of which the agency is a part.

Compliance with state or local legislation addressing federal equitable sharing is the responsibility of the Program participant. The Department of Justice and the Department of the Treasury reserve the right to suspend agencies where compliance with both state and local laws and Program guidelines is not possible.