



REPORT/RECOMMENDATION

To: MAYOR AND COUNCIL	Agenda Item <u>IV.C.</u>
From: Jeff Long Chief of Police	<input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion <input type="checkbox"/> Information
Date: January 17, 2012	
Subject: Resolution No. 2012-16 Approving Grant With Minnesota Bureau of Criminal Apprehension, Minnesota Financial Crimes Task Force for 2012.	

ACTION REQUESTED:

Adopt Resolution No. 2012 -16 authorizing the grant agreement to fund the Edina Police Departments participation in the Minnesota Financial Crimes Task Force.

INFORMATION/BACKGROUND:

The Edina Police Department has received state grant monies to participate in the Minnesota Financial Crimes Task Force since 2005. The existing grant agreement expired on June 30, 2011. Additional funding is available through June 30, 2013, at a rate of \$50,000 per year. We would like to continue our participation due to the rapid increase in identity theft and organized groups involved in fraud activity. The Minnesota Financial Crimes Task Force addresses major financial crimes and attempts to coordinate the private sector and law enforcement’s response to this crime trend. We have assigned one detective to the Task Force on a full-time basis. The City Attorney has reviewed and approved the agreement.

ATTACHMENTS:

Resolution and grant copy

**RESOLUTION NO. 2012-16
AUTHORIZING ACCEPTANCE
OF GRANT FUNDS FROM
MN BUREAU OF CRIMINAL APPREHENSION**

WHEREAS, the Edina Police Department is a member of the Minnesota Financial Crimes Task Force; and

WHEREAS, the Minnesota Bureau of Criminal Apprehension has approved the Edina Police Department for grant funds for their participation with the Minnesota Financial Crimes Task Force.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Edina has authorized the Edina Police Department to receive funds from the Minnesota Bureau of Criminal Apprehension for their participation with the Minnesota Financial Crimes Task Force.

BE IT FURTHER RESOLVED, that the City Manager and Mayor are authorized to execute any necessary agreements relating to the grant with the Minnesota Bureau of Criminal Apprehension.

Adopted this 17th day of January.

Attest: _____
Debra A. Mangen, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of August 18, 2009, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 2012.

City Clerk

**STATE OF MINNESOTA
GRANT CONTRACT**

This grant contract is between the State of Minnesota, acting through its Commissioner of Public Safety, Bureau of Criminal Apprehension, Minnesota Financial Crimes Task Force, 1430 Maryland Avenue East, St Paul MN, 55106-2802 ("State") and City of Edina, Police Department, 4801 West 50th Street, Edina, MN 55424 ("Grantee").

Recitals

- 1 Under Minn. Stat. §§ 299A.01, Subd 2 (4) and 299A.681, Subd 7, the State is empowered to enter into this grant contract.
- 2 State funds for this grant contract are provided in Laws of Minnesota 299A.681, for the purpose of investigating identity theft and related financial crimes.
- 3 The State is in need of services that fulfill this purpose.
- 4 The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State.

Grant Contract

1 Term of Grant Contract

- 1.1 **Effective date.** July 1, 2011, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later. Once this grant contract is fully executed, the Grantee may claim reimbursement for expenditures incurred pursuant to Clause 4.3 of this grant contract. Reimbursement will only be made for those expenditures made according to the terms of this grant contract.
- 1.2 **Expiration date.** June 30, 2013, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

2 Grantee's Duties

- 2.1 **Activities.** The Grantee, who is not a state employee, will:
 - (1) Investigate major financial crimes by organized groups or individuals related to identity theft e.g. bank fraud, wire fraud, credit fraud, loan fraud illegal contraband fraud, commercial fraud, retail fraud and other economic fraud (MN 609.52.)
 - (2) Investigators will prepare an investigative plan for each case assigned to include the identification of witnesses and witness statements, obtaining appropriate bank and business records and their analysis. Preparation of a case synopsis includes witness list and relevant evidence for presentation to state and/or federal prosecutors for prosecution.
 - (3) Investigators will follow appropriate state and/or federal laws in obtaining arrest warrants, search warrants and civil and criminal forfeitures. Investigators will follow proper legal procedures in securing evidence, including computer recovery.
 - (4) Investigators will understand and use appropriate legal procedures in the handling of informants including documentation of identity, monitoring of activities, use and recordation of payments.
 - (5) Investigators will use, as appropriate, a broad array of investigative technologies and techniques including surveillance, covert technologies and undercover assignments.
 - (6) Investigators will interview and prepare reports on the victims of a financial crime and will be able to direct those victims to appropriate public and private resources to assist them in the recovery of their identities.
 - (7) Investigators must be full-time and dedicated to the task force for the duration of the term of this grant contract.
 - (8) Investigators must be a licensed peace officer.
 - (9) Assigned investigators will investigate cases involving cross-jurisdictional and/or organized financial crime and high value theft schemes. The assignment may require investigators to travel to Greater Minnesota and throughout the five county metro area as investigations expand or as assigned by the task force commander.
 - (10) Investigators will be assigned to and report to the Commander of the Minnesota Financial Crimes Task Force (MNFCTF) and will work out of the task force headquarters except for those investigators assigned to a specific task force geographic area.

- (11) Investigator's home agency will provide that investigator with an undercover vehicle and basic equipment (gun, handcuffs, vest, etc.).

2.2 Reporting Requirements.

- (1) **Financial Reporting.** Grantee shall submit a financial reporting form to the State utilizing the format identified by the State within 30 days after the end of the reporting period.
- (2) **Progress Reporting.** Grantee shall use forms prescribed by the State to submit a quarterly progress detailing progress achieved towards the accomplishment of the program goals and objectives within 30 days after the end of reporting period.
- (3) **Other Requirements.** Grantee shall submit such other reports and attend meetings and training as State shall reasonably request.
- (4) **Evaluation.** State shall have the authority, during the course of this grant period, to conduct an evaluation of the performance of the Grantee.
- (5) **Requirement Changes.** State may modify or change all reporting forms at their discretion during the grant period.
- (6) **Special Requirements.** The State reserves the right to include in the grant, at any time during the term of the grant, special administrative requirements deemed necessary to assure the Grantee's successful implementation of the program. The State will notify the Grantee in writing of any special administrative requirements.

3 Time

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

4 Consideration and Payment

4.1 **Consideration.** The State will pay for services performed by the Grantee under this grant contract as follows:

- (1) **Compensation.** The Grantee will be reimbursed an amount not to exceed \$100,000.00 according to the breakdown of costs contained in Exhibit A, which is attached and incorporated into this grant contract. The Grantee will submit any revisions to Exhibit A as described in Section 4.2 (2) of this grant contract and the revised budget must be approved in writing by the State's Authorized Representative before any expenditures may be made based on the revised budget.
- (2) **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$100,000.00.

\$50,000.00 is available from July 1, 2011 through June 30, 2012. \$50,000.00 is available from July 1, 2012 through June 30, 2013. Funds not expended by the Grantee for this program through June 30, 2012 are available to the Grantee until June 30, 2013.

4.2 Fiscal Requirements.

- (1) **Budget Revisions.** Grantee shall submit a written budget revision request to the State's Authorized Representative before any expenditure may be made based on the revised budget. Submission and approval of a budget revision is necessary if a) a line item will deviate by \$200 or 10%, whichever is higher, from the approved budget, or b) a new line item that was not part of the approved budget will be created.
- (2) **Closeout.** Grantee shall have until 30 days after the Expiration date of this grant contract, to submit a report of all funds and interest received and disbursed. If a report is not submitted within this time period, expenses claimed on the report may be disallowed and the State may request a refund of those monies from the Grantee.
- (3) **Records.** Grantee shall retain all financial records for a minimum of six (6) years after the date of submission of the final financial status report, or until completion of an audit which has commenced before the expiration of this six-year period, or until any audit findings and/or recommendations from prior audit(s) have been resolved between the Grantee and State, whichever is later.

4.3 Payment

Invoices. The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: itemized invoices will be filed in arrears at least quarterly and within 30 days of the period covered by the invoice for services satisfactorily performed.

The final invoice pertaining to each state fiscal year of this grant contract must be received by July 31 of that calendar year. Reimbursements from the next state fiscal year(s) may commence on or after July 1 of that calendar year. The final invoice must be received no later than 30 days after the Expiration date of this grant contract.

Expenditures for each state fiscal year of this grant contract must be for services performed within the applicable state fiscal year. Every state fiscal year begins on July 1 and ends on June 30.

4.4 Federal requirements. (Where applicable, if blank this section does not apply)

Payments under this grant contract will be made from federal funds obtained by the State through CFDA _____. The Grantee is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Grantee's failure to comply with federal requirements.

5 Conditions of Payment

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6 Authorized Representative

The State's Authorized Representative is Patrick M. Henry, Commander, MNFCTF, P.O. Box 21007, Columbia Heights, MN 55421, 763-502-7756, Patrick.M.Henry@state.mn.us or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is James Hovland, Mayor, 4801 W. 50th Street, Edina, MN 55424, 612-874-8550, j.hovland@krausehovland.com. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

7 Assignment, Amendments, Waiver, and Grant Contract Complete

7.1 Assignment. The Grantee may neither assign nor transfer any rights or obligations under this grant contract without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 Amendments. Any amendment to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 Waiver. If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or its right to enforce it.

7.4 Grant Contract Complete. This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract.

9 State Audits

Under Minn. Stat. § 16C.05, subd. 5, the Grantee's books, records, documents, and accounting procedures and practices relevant to this grant contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract.

10 Government Data Practices

The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released.

11 Workers' Compensation

The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

12.1 **Publicity.** Any publicity regarding the subject matter of this grant contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract.

12.2 **Endorsement.** The Grantee must not claim that the State endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 **Termination by the State.** The State may cancel this grant contract at any time, with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 **Termination by the Grantee.** The Grantee may request termination upon 30 day's notice to the State's Authorized Agent. Upon termination the Grantee is entitled to payment for services actually performed and agrees to return any unused funds to the State.

14.3 **Termination for Insufficient Funding.** The State may immediately terminate this grant contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis,

for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the grant contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State receiving that notice.

15 Data Disclosure

Under Minn. Stat. § 270C.65, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any, or pay other state liabilities.

1. ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.

Signed: _____
Date: _____
Grant Contract No.: _____

3. STATE AGENCY

By: _____
(with delegated authority)
Title: _____
Date: _____

2. GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant contract on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____

Distribution:
Agency
Grantee
State's Authorized Representative

