

**TEXAS ADMINISTRATIVE CODE RULES**

**APPROVED 02/12/2020 BY**

**TEXAS CRIME STOPPERS COUNCIL**

**§3.9000. Certification.**

- (a) The Texas Crime Stoppers Council (Council) shall, on application by a crime stoppers organization as defined by §414.001(2) of the Texas Government Code (organization), determine whether the organization meets the requirements to be certified to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (b) The Council shall certify a crime stoppers organization to receive those repayments or payments if, considering the organization, continuity, leadership, community support, and general conduct of the organization, the Council determines that the repayments or payments will be spent to further the crime prevention purposes of the organization.
- (c) Certification is valid for two years from the date of issuance or, if applicable, the effective date of continued certification. The Council may take action on a crime stoppers organization's Application for Continuing Certification prior to the expiration of the organization's current certification, and specify the effective date of the continued certification, provided that the effective date is no later than the expiration date of the current certification. If a crime stoppers organization's certification expires, the organization is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure, until the organization obtains certification.
- (d) A private, nonprofit crime stoppers organization must submit the following information to the director of the Council in order to obtain initial certification:
  - (1) Documentation from the Internal Revenue Service granting the organization tax-exempt status;
  - (2) The dates and locations that the following persons completed a training course provided by the Criminal Justice Division of the Office of the Governor (CJD) and the Council, or their designee, within the year prior to submission of the organization's application for certification:

- (A) one member of the organization's board of directors, and
  - (B) one of the organization's law enforcement/civilian coordinators; and
  - (C) the executive director of the organization (if applicable);
- (3) A completed and signed Conditions of Certification Form;
  - (4) The name, mailing address, email address, telephone number, occupation, and board position of each member of the organization's board of directors;
  - (5) The name, mailing address, email address, and telephone number of each of the organization's law enforcement/civilian coordinators;
  - (6) The name, mailing address, email address, telephone number, and occupation of the executive director (if applicable);
  - (7) The description of the geographic territory or jurisdiction to which the organization desires to provide services; and
  - (8) Additional information specified by a vote of the Council for inclusion in the application for certification that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the examination of the materials submitted as part of the application.
- (e) A public crime stoppers organization must submit the following information to the director of the Council in order to obtain initial certification:
- (1) Proof that one of the organization's law enforcement/civilian coordinators completed a training course provided by CJD and the Council, or their designee, within the year prior to submission of the organization's application for certification;
  - (2) A completed and signed Conditions of Certification Form;
  - (3) The name, mailing address, email address, telephone number, occupation, and board position of each member of the organization's governing board;
  - (4) The name, mailing address, email address, and telephone number of each of the organization's law enforcement/civilian coordinators;

- (5) The name, mailing address, email address, telephone number, and occupation of the organization's executive director (if applicable);
  - (6) The description of the geographic territory or jurisdiction to which the organization desires to provide services; and
  - (7) Additional information specified by a vote of the Council for inclusion in the application for certification that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the examination of the materials submitted as part of the application.
- (f) If the organization is currently certified by the Council, the organization must submit the documentation described in subsection (d) or (e) of this section, as applicable, with the exception of the training documentation required by subsections (d)(2) and (e)(1), and the following additional information as part of its Application for Continuing Certification, in each case no more than 240 days and no less than 180 days prior to the expiration of the current certification:
- (1) any Crime Stoppers Program Annual Reports that have not been submitted to the director of the Council as required by §3.9011 of this chapter;
  - (2) any Statistical Reports that have not been submitted to the director of the Council or the Council's designee as required by §3.9013 of this chapter;
  - (3) the dates and locations that the following persons completed, or plan to complete, a training course provided by CJD and the Council, or their designee, after the date of issuance or the effective date, as applicable, of the current certification:
    - (A) one member of a private, nonprofit organization's board of directors (if applicable);
    - (B) one of the organization's law enforcement/civilian coordinators; and
    - (C) the executive director of a private, nonprofit organization (if applicable); and
  - (4) additional information specified by a vote of the Council for inclusion in the Application for Continuing Certification that is necessary for the Council to make the determination for certification required by §414.011(a) of

the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the examination of the materials submitted as part of the application.

- (g) Certification awarded to an organization is awarded only as to the specific geographic territory or jurisdiction described in the certification award.
- (h) Decisions regarding the certification of crime stoppers organizations shall be made by the Council.
- (i) If an organization's certification is set to expire before the next anticipated Council meeting, subjecting the organization to the liquidation requirements of §414.010(c), Texas Government Code, and the Council determines that extraordinary circumstances have prevented an organization from submitting a completed Application for Continuing Certification, the Council may consider and take action to renew the organization's certification if it determines that the organization meets the certification requirements described in §414.011, Texas Government Code.
- (j) The director of the Council will notify certified organizations of their requirements for continuing certification no less than 90 days prior to the deadline to submit the Application for Continuing Certification under subsection (f).

### **§3.9005. Decertification.**

- (a) During the two-year certification period, the Council shall decertify a crime stoppers organization if it determines that the organization no longer meets the certification requirements described in §3.9000(b) of this chapter, which may result from a violation of state law, federal law, or Subchapter H of this chapter.
- (b) If a crime stoppers organization is decertified by the Council, the organization is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (c) The Council, or the Chairman of the Council, shall send written notification to the crime stoppers organization no later than 45 calendar days prior to the meeting at which the Council will consider the decertification of the organization. The written notification shall include the following:

- (1) Reasons why the organization may no longer meet the certification requirements described in §3.9000(b) of this chapter; and
  - (2) The date, time, and location of the meeting at which the Council will consider the decertification of the organization.
- (d) The crime stoppers organization shall submit a written response, which shall include an explanation and specific reasons why the organization believes that it should not be decertified. The written response must be received by the director of the Council at least 10 calendar days prior to the meeting at which the Council will consider the decertification of the organization.
  - (e) The Council shall render a decision regarding the decertification of the crime stoppers organization and shall notify the organization in writing of its decision.
  - (f) If a crime stoppers organization is decertified, the director of the Council shall notify the state comptroller, and the relevant courts, county auditors and community supervision and corrections departments in the organization's region, that the organization is decertified and is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
  - (g) Not later than the 60th day after the date of decertification of the organization, the decertified organization shall forward all unexpended money received pursuant to §414.010 of the Texas Government Code to the state comptroller.
  - (h) The director of the Council may determine that a certified crime stoppers organization is at risk of no longer meeting the certification requirements or duties described in §3.9000 of this chapter. If the director of the Council makes such a determination, the director of the Council may create a corrective action plan to assist the organization in meeting those requirements or duties, including specifying the actions necessary to meet those requirements or duties and the time the organization has to complete them. If the organization no longer meets the certification requirements or duties described in §3.9000 of this chapter, the director of the Council must notify the Council.

**§3.9006. Expiration or Non-Renewal of Certification.**

- (a) At the end of the two-year certification period, a crime stoppers organization's certification will [to] expire, unless the Council has approved the renewal of its certification. The Council will

not renew the organization's certification and will decertify the organization if the Council determines that the organization no longer meets the certification requirements.

- (b) If a crime stoppers organization's certification expires or is not renewed, the organization is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (c) If an organization has submitted a timely application to renew its certification:
  - (1) The Council shall send written notification to the crime stoppers organization no later than 45 calendar days prior to the meeting at which the Council will consider the renewal of certification of the organization. The written notification shall include the following:
    - (A) Any reasons why the organization may no longer meet the certification requirements described in §3.9000(b) of this chapter; and
    - (B) The date, time, and location of the meeting at which the Council will consider the certification renewal of the organization.
  - (2) The crime stoppers organization may submit a written response, which shall include an explanation and specific reasons why the organization believes that its certification should be renewed. The written response must be received by the director of the Council at least 10 calendar days prior to the meeting at which the Council will consider the renewed certification of the organization.
  - (3) The Council shall render a decision regarding the certification renewal of the crime stoppers organization and shall notify the organization in writing of its decision.
- (d) If a crime stoppers organization's certification expires or is not renewed, the director of the Council shall notify the state comptroller, and the relevant courts, county auditors and community supervision and corrections departments in the organization's region, that the organization is decertified and is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (e) Not later than the 60th day after the date of expiration or non-renewal of the certification of the organization, the

organization shall forward all unexpended money received pursuant to §414.010 of the Texas Government Code to the state comptroller.

**§3.9007. Closing of Business.**

- (a) If a crime stoppers organization chooses to no longer operate or to dissolve during its two-year certification period or if the organization chooses to not apply for renewal of its certification, the organization shall send written notification to the Council.
- (b) The written notification will effectively decertify the organization. The date of the notification will serve as the date of decertification.
- (c) The closed or dissolved organization is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (d) Upon receipt of this notification and effective decertification, the director of the Council shall notify the state comptroller, and the relevant courts, county auditors and community supervision and corrections departments in the organization's region, that the organization is decertified and is not eligible to receive repayments of rewards under Articles 37.073 and 42.152 of the Texas Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure.
- (e) Not later than the 60th day after the date of dissolution or decertification of the organization, the dissolved or decertified organization shall forward all unexpended money received pursuant to §414.010 of the Texas Government Code to the state comptroller.

**§3.9011. Crime Stoppers Program Reporting.**

- (a) A crime stoppers organization that is certified by the Council must submit to the director of the Council a Crime Stoppers Program Annual Report no later than January 31 of each calendar year.
- (b) A Crime Stoppers Program Annual Report must include the following information:
  - (1) The name, mailing address, email address, and telephone number of the crime stoppers organization, and the internet address of any website operated by the organization;

- (2) The name, mailing address, email address, telephone number, occupation, and board position of each member of the organization's governing board;
  - (3) The name, mailing address, email address, telephone number, and occupation of the organization's executive director (if applicable);
  - (4) The name, mailing address, email address, and telephone number of each of the organization's law enforcement/civilian coordinators;
  - (5) A Probation Fee and Repayment Report for the prior calendar year. This report must include statements for all financial accounts containing funds originally obtained from repayments of rewards under Articles 37.073 and 42.152, Code of Criminal Procedure, or payments from a defendant under Chapter 42A of the Texas Code of Criminal Procedure, and documentation from the relevant courts or government agencies stating the amount of probation fees disbursed to the organization.
  - (6) The Council will prescribe the specific or additional information to be included in reporting under this subsection that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the examination of the materials submitted as part of the reporting under this subsection. The director of the Council will publish a schedule by which the Criminal Justice Division will retain records and will publish procedures for organizations to submit updates or corrections to submitted information.
- (c) A crime stoppers organization that is certified by the Council must submit to the director of the Council an information update form prescribed by the director of the Council or the Council within 30 days if the organization has a change in the composition of its executive board or its executive director (if applicable) or law enforcement coordinator.
- (d) A crime stoppers organization that is certified by the Council shall submit to the director of the Council, or the Council's designee, a Statistical Report on a form prescribed by the Council no later than January 31 and July 31 of each calendar year.



### **§3.9015. Review.**

By accepting certification, a crime stoppers organization agrees to the following conditions of review:

- (1) CJD will review the activities of a crime stoppers organization that is certified by the Council as necessary to ensure that the organization's finances and programs further the crime prevention purposes of the organization in compliance with the laws and rules governing crime stoppers organizations.
- (2) CJD may perform a desk review or an on-site review at the organization's location. In addition, CJD may request that the organization submit relevant information to CJD to support any review.
- (3) After a review, the organization shall be notified in writing of any noncompliance identified by CJD in the form of a preliminary report.
- (4) The organization shall respond to the preliminary report within a time frame specified by CJD.
- (5) The organization's response shall become part of the final report, which shall be submitted to the organization and the director of the Council.
- (6) The director of the Council may create a corrective action plan for a noncompliant organization to assist the organization in coming back into compliance, which must specify the actions to be taken by the organization and the time the organization has to complete them.
- (7) Any noncompliance, including an organization's failure to provide adequate documentation upon request, may serve as grounds for decertification or non-renewal of certification of the organization by the Council.

### **§3.9017. Mergers of Certified Organizations.**

If a certified crime stoppers organization agrees with another certified crime stoppers organization to merge and form a multi-county or multi-jurisdictional (e.g., county and city) organization, the merged organization must apply for continuing certification, and the following procedures must be followed:

- (1) The certified crime stoppers organizations that want to merge must have contiguous borders.
- (2) The merging organizations must choose a name for the merged organization unless both organizations agree to operate under the name of one of the existing organizations.

- (3) The merged organization must file the following documents with the director of the Council requesting certification under a new name (if applicable) and with the expanded geographic territory or jurisdiction:
- (A) All required Texas Secretary of State, Texas Comptroller, and United States Internal Revenue Service (IRS) required forms and documentation for mergers and dissolutions, as applicable, or as specified by the director of the Council;
  - (B) IRS compliance documents for dissolution of a 501(c)(3) non-profit corporation and a 501(c)(3) letter authorizing the organization to operate under the new name (if applicable);
  - (C) Texas Secretary of State compliance documents for 501(c)(3) non-profit corporations, as applicable, or as specified by the director of the Council;
  - (D) Application for Continuing Certification under the new name (if applicable) and with an expanded geographic territory or jurisdiction;
  - (E) Copy of board of directors membership list of the merged organization, to include contact information for board members, the law enforcement coordinator, and the executive director (if applicable);
  - (F) The dates and locations that at least one board member (if applicable), the law enforcement coordinator, and an executive director (if applicable) received training as authorized by the Council within the 24-month period preceding the merger;
  - (G) Copies of the minutes of the boards of directors meetings of both certified crime stoppers organizations in which the boards voted to merge their organizations;
  - (H) Copy of a cooperative agreement or memorandum of understanding (MOU) between the merged organizations regarding the merger and a copy of each organization's minutes of the board of directors for the meeting where the agreement or MOU is approved; and
  - (I) Additional information specified by a vote of the Council for inclusion in the application for continuing certification that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may

request further information needed to clarify a question raised in the examination of the materials submitted as part of the application.

- (4) If the director of the Council determines that the merged organization meets all requirements within paragraphs (1) - (3) of this section, the merged organization will be presented to the Council for determination as to whether the merged organization meets the requirements for certification at the Council's next regularly scheduled meeting.
- (5) Once the Council grants certification, the merged organization may merge or consolidate the separate rewards accounts of both organizations. The merged organization will also be eligible to apply to the relevant CSCDs to receive court fees under the provisions of Articles 37.073 and 42.152 and Chapter 42A, Texas Code of Criminal Procedure.
- (6) The merged organization's "Excess Funds Accounts," as described in §414.010(d) of the Texas Government Code, may only be comprised of those funds that were previously in each individual organization's "Excess Funds Accounts."
- (7) The certification is valid for a period of two years.

### §3.9019. Mergers of Non-certified Organizations to Certified Organizations.

If a certified crime stoppers organization agrees with a non-certified crime stoppers organization to merge and form a multi-county or multi-jurisdictional (e.g., county and city) organization, the merged organization must apply for continuing certification, and the following procedures must be followed:

- (1) The certified crime stoppers organization that wants to merge with a non-certified 501(c)(3) crime stoppers organization must have contiguous borders.
- (2) The merging organizations must choose a name for the merged organization unless both organizations agree to operate under the name of one of the existing organizations.
- (3) The merged organization must file the following documents with the director of the Council requesting certification under a new name (if applicable) and with the expanded geographic territory or jurisdiction:
  - (A) All required Texas Secretary of State, Texas Comptroller, and United States Internal Revenue Service (IRS) required forms and documentation for

mergers and dissolutions, as applicable, or as specified by the director of the Council;

- (B) IRS compliance documents for dissolution of a 501(c)(3) non-profit corporation and a 501(c)(3) letter authorizing the organization to operate under the new name (if applicable);
- (C) Texas Secretary of State compliance documents for 501(c)(3) non-profit corporations, as applicable, or as specified by the director of the Council;
- (D) Application for Continuing Certification under the new name (if applicable) and with an expanded geographic territory or jurisdiction;
- (E) Copies of financial reviews of all bank accounts held by the non-certified 501(c)(3) crime stoppers organization;
- (F) If the financial review establishes that at any time the non-certified 501(c)(3) crime stoppers organization was certified by the Council and received court fees under Articles 37.073 and 42.152 and Chapter 42A, Texas Code of Criminal Procedure, and failed to return all court fees to the state comptroller within 60 days following the loss of certification, as required by §414.010(c), Texas Government Code, a copy of the check for the outstanding court fees, made payable to the Office of the Comptroller, or other satisfactory proof, must be submitted with the application for certification;
- (G) Copy of board of directors membership list of the merged organization, to include contact information for board members, the law enforcement coordinator, and executive director (if applicable);
- (H) The dates and locations that at least one board member (if applicable), the law enforcement coordinator, and an executive director (if applicable) received training as authorized by the Council within the 24 period preceding the merger;
- (I) Copies of the minutes of the boards of directors meetings of the certified crime stoppers organization and the non-certified 501(c)(3) crime stoppers organization in which the boards voted to merge their organizations;
- (J) Copy of a cooperative agreement or memorandum of understanding (MOU) between the merged organizations regarding the merger and a copy of each organization's

minutes of the board of directors for the meeting where the agreement or MOU is approved; and

- (K) Additional information specified by a vote of the Council for inclusion in the application for continuing certification that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the examination of the materials submitted as part of the application.
- (4) If the director of the Council determines that the merged organization meets all requirements of this section, the merged organization will be presented to the Council for determination as to whether the merged organization meets the requirements for certification at the Council's next regularly scheduled meeting.
- (5) Once the Council grants certification, the merged organization may merge or consolidate the separate rewards accounts of the merged organizations. The merged organization also will be eligible to apply to the relevant CSCDs to receive court fees under the provisions of Articles 37.073 and 42.152 and Chapter 42A, Texas Code of Criminal Procedure.
- (6) The merged organization's "Excess Funds Accounts," as described in §414.010(d) of the Texas Government Code, may only be comprised of those funds that were previously in each individual organization's "Excess Funds Accounts."
- (7) The certification is valid for a period of two years.

**§3.9021. Addition of Geographic Territories or Jurisdictions to Certified Organizations.**

- (a) If a geographic territory or jurisdiction wants to join an existing certified crime stoppers organization, the organization must apply for continuing certification, and the following procedures must be followed:
  - (1) The geographic territory or jurisdiction seeking to join the organization must share contiguous borders with the certified crime stoppers organization;
  - (2) The certified crime stoppers organization and the geographical entity that is requesting to join the crime stoppers organization must choose a new name for the

organization unless both parties agree to operate under the name of the existing organization;

- (3) The certified crime stoppers organization must file the following documents with the director of the Council requesting certification under a new name (if applicable) and with an expanded geographic territory or jurisdiction:
  - (A) United States Internal Revenue Service (IRS) letter for a 501(c)(3) corporation authorizing the organization to operate under a new name, if applicable;
  - (B) Texas Secretary of State letter for a 501(c)(3) corporation authorizing the organization to operate under a new name (if applicable);
  - (C) Application for Continuing Certification under the new name (if applicable) and with an expanded geographic territory or jurisdiction;
  - (D) Copy of board of directors membership list for the organization, to include contact information for board members, the law enforcement coordinator, and executive director (if applicable);
  - (E) The dates and locations that at least one board member (if applicable), the law enforcement coordinator, and an executive director (if applicable) received training as authorized by the Council within the 24-month period preceding the new Application for Continuing Certification;
  - (F) Copy of the minutes of the board of directors meeting of the certified crime stoppers organization in which the board voted to add the new geographical entity to the territory or jurisdiction served by the crime stoppers organization;
  - (G) Written documentation from a law enforcement agency serving the geographic territory or jurisdiction showing an interest in joining an existing crime stoppers organization; and
  - (H) Additional information specified by a vote of the Council for inclusion in the application for continued certification that is necessary for the Council to make the determination for certification required by §414.011(a) of the Texas Government Code or to fulfill its duties under §414.005 of the Texas Government Code. The director of the Council may request further information needed to clarify a question raised in the

examination of the materials submitted as part of the application.

- (4) If the director of the Council determines that the newly expanded organization meets all requirements listed in paragraphs (1) - (3) of this subsection, the expanded organization will be presented to the Council for determination as to whether the expanded organization meets the requirements for certification at the Council's next regularly scheduled meeting.
  - (5) Once the Council grants certification, the organization will be eligible to apply to the CSCDs in the newly acquired geographic territory or jurisdiction to receive court fees under the provisions of Articles 37.073 and 42.152 and Chapter 42A, Texas Code of Criminal Procedure.
  - (6) The certification is valid for a period of two years.
- (b) If a certified or non-certified organization serves the geographic area to which a certified organization is attempting to expand, the expanding organization must send written notice to the Council and to the organization serving the geographic area to which it intends to expand of its intent to serve that area.

### **§3.9025. Excess Funds.**

- (a) A certified crime stoppers organization may establish Excess Funds Accounts in accordance with §414.010(d) of the Texas Government Code. At the conclusion of each fiscal year, if the total amount of funds in the organization's rewards accounts exceeds three times the average annual amount of funds used by the organization to pay rewards during each of the three preceding fiscal years, the organization may deposit such excess amount into its Excess Funds Accounts.
- (b) The Excess Funds Accounts may only be used for expenditures for law enforcement or public safety purposes directly related to crime stoppers or juvenile justice, which means:
  - (1) Costs incurred in providing training to crime stoppers volunteers, staff, or law enforcement coordinators and travel costs necessary to complete that training;
  - (2) Costs associated with supporting volunteers, staff, or law enforcement coordinators in performing crime stoppers operations;
  - (3) Juvenile delinquency prevention or intervention programs;

- (4) Promotional or marketing costs encouraging utilization of crime stoppers tip lines or recruiting volunteers for crime stoppers organizations; and
  - (5) Transfers to the crime stoppers assistance account in the general revenue fund or to other certified crime stoppers organizations, provided that the transferring certified crime stoppers organization ensures the receiving certified crime stoppers organization uses such funds for law enforcement or public safety purposes as described in this subsection.
- (c) Pursuant to §414.010(d) of the Texas Government Code, a certified crime stoppers organization that deposits funds in an Excess Funds Account may use any interest earned on the funds in such account to pay costs incurred in administering the organization.
- (d) Among other uses, a certified crime stoppers organization is not considered to be using its excess funds for a law enforcement or public safety purpose related to crime stoppers or juvenile justice if:
- (1) It uses such excess funds to pay the salary or compensation of any public employee;
  - (2) It uses such excess funds for law enforcement equipment not directly related to crime stoppers or juvenile delinquency prevention or intervention purposes;
  - (3) It pays or reimburses for travel or per diem costs that exceed those allowed for state officials or employees with its excess funds; or
  - (4) It uses such funds for a purpose or in a manner prohibited by federal or state law.