



Louisville / Jefferson County Metro Government

Neighborhood Development Fund
Training Workshop



Agenda

May, 2015

- Video Presentation
Mayor Greg Fischer
- Welcome/Introductions
Gena Redmon, Executive Administrator
- Grant Requirements
Gena Redmon, Executive Administrator
- Grant Application Process
Beth Stenberg, Metro Council
- Grant Agreement
Julie DeChurch, Grants Compliance
- Financial Reporting/
Examples
Julie DeChurch, Grants Compliance
- Questions & Answers



Neighborhood Development Fund Training

Grant Application and Approval Process



Eligible Entities

- Eligible non-profits recognized exempt under the Internal Revenue Code Sections:
 - 501(c)3 Organizations
 - 501(c)4 Organizations (Civic Leagues, Social Welfare and Neighborhood Associations only)
 - Homeowner Associations not recognized tax exempt under section 501(c), but who consistently file Form 1120-H, U. S. Income Tax Return for Homeowners Associations;
 - Section 501(c)6 Organizations (Business Leagues only)
 - Section 501(c)19 Organizations (Veterans)



Public Purpose Only

- Generally, the objective of public purpose is for the promotion of public health, safety, general welfare, security, prosperity, or contentment of residents within the jurisdiction of the Metro Louisville.
- A public expenditure must be primarily for the benefit of the general public, but the fact that it incidentally benefits others, including private parties, does not make it unacceptable.



Eligible Grant Expenditures for Non-Profit Organizations

Eligible expenditures include, but are not limited to:

- Capital expenditures
- Direct client services
- Programs
- General operating expenditures – generally limited to 33%
- Community events & festivals
- Constituent Meals or Refreshments As Part of An Event
Where Volunteers Are Performing a Public Service



Ineligible Grant Expenditures for Non-Profit Organizations

Ineligible grant expenditures include:

- Direct appropriations to improve private property
- Personal gifts
- Alcoholic beverages
- Mileage reimbursement paid to local staff or volunteers
- Membership dues or subscriptions for periodicals
- Out of town staff training including travel
- Sales tax for 501(c)3 applicants
- Capital improvements to faith based organizations or schools
- Funding to another taxing district for its statutorily required expenditures
- Cash payments/incentives (excluding de minimis) to individuals



Constitutional Constraints

Other Taxing Districts

- Metro may not appropriate funding to other Jefferson County taxing districts for services the taxing districts are required to provide their constituents.
- In some circumstances NDF funds can be indirectly applied to taxing districts only if they benefit the collective public purpose and not simply a purpose specific to the individual district.
- Taxing districts include but are not limited to Transit Authority of River City, Jefferson County Public Education, Fire Districts and all small cities.
- Expenditures may be made to incorporated cities within Louisville Metro if the expenditure qualifies under the Metro Partnership Program as set forth in LMCO § 97.100.
- Funding for eligible expenditures may go to Jefferson County Public School Foundation, a PTA or other non-profit organization affiliated with the receiving school.



Constitutional Constraints Faith Based Organizations

- Kentucky follows the Federal Constitution of the separation of church and state.
- NDF may not be used to fund any church or religious organization in the furtherance of its religious purpose
- NDF may be used if all funds received are applied completely to a project or program that serves a public purpose, is completely open to all members of the public regardless of organization membership or faith/moral beliefs, and involves no form of worship or religious practice.
- If NDF funds are granted to a religious organization there must be a signed statement from the organization acknowledging this limitation in the application packet.



Good Standing

A registered eligible 501(c) non-profit organization must be in good standing with:

- Internal Revenue Service
- Kentucky Secretary of State
- Louisville Metro Revenue Commission
- Louisville Metro Government Department/Agencies who also have grants with the non-profit organization
- Louisville Metro Human Relations Commission



Grantee/Subrecipient Appropriations

- If a grantee organization provides Metro funding to a sub grantee or recipient, both must follow Metro policies.
- The grantee organization is ultimately responsible and accountable for complying with the grant requirements.
- The grantee is required to monitor the performance of the third party (sub-grantee)
- The grantee is ultimately responsible for submitting reports and expenditure documentation to the Office of Management and Budget.



Non-Profit Grant Requirements

- Has an Affirmative Action/Equal Employment Opportunity plan and/or policy statement **if** required to do so.
- May not discriminate based on age, color, race, disabled status, sexual orientation, national origin, religion, sex, or Vietnam era veteran status.
- Metro funds generally are not used to supplement more than 33% of the total agency operating budget. The 33% guideline is not applicable for capital projects or special one-time projects not in the general operating budget.



Non-Profit Grant Requirements

- May not require clients receiving services or project participants to participate in religious, political, fraternal, etc. activities in order to receive services or participate.
- Any Council member, legislative assistant or family member of a Council member or legislative assistant must disclose any relationship with any requesting organization including Metro Government agencies. No such persons shall serve a grant recipient as an officer or have the fiduciary authority to sign checks or other documents on behalf of the grantee.



Non-Profit Grant Requirements

- Agrees to participate in any required training.
- Agrees to adhere to all terms of agreements/contracts set forth within the NDF application and/or agreement.
- Agrees to be audited and/or monitored on site by the appropriate agency personnel to determine appropriate expenditure of funds and/or record keeping.
- Agrees to submit any required written financial, program, or other monitoring reports timely.
- Publicly acknowledges the funding is provided by Louisville Metro Council and may also acknowledge the individual Council member in its publicity and informational material.



Non-Profit Grant Requirements

- Agrees to expend funds by the end of the fiscal year or extension date of the grant agreement for purpose(s) stated in grant proposal. Automatic extensions are given by Office of Management and Budget to entities receiving their grant check after April 1 in the fiscal year. Requests for extensions are also considered if the entity cannot spend funds for an extenuating circumstance through a written agreement prepared or approved by the County Attorney's Office.
- Organizations expending funds prior to the execution of the grant agreement do so at their own risk. Louisville Metro is not liable for NDF related expenses incurred until the grant agreement is executed unless the application specifically requests reimbursements; however, reimbursement should not be made for expenditures prior to the NDF Application date absent demonstration of an emergency by the primary sponsor.



Non-Profit Grant Requirements

- After the NDF application has been approved:

The grant agreement is mailed to the organization within ten business days of the approval and an email notification is sent to the primary sponsor. If the grant agreement is not returned within 90 days of initial mailing, Council approval is automatically revoked without any further action of the Appropriation Committee or full Council. Any organization's grant agreement mailed before the enacted date of this policy change will be sent a letter by the Clerk informing the applicant of this change and giving them 90 days from that mailing date to submit their grant agreement.



Non-Profit Grant Requirements

- Clerk prepares and submits the NDF request packet which includes the grant agreement, NDF application and supporting documentation to OMB within seven days of receipt.
- The organization agrees to return any unexpended funds to Louisville Metro Government after the end of the grant period (as extended) stated in the grant agreement. The returned funds are credited to the Council Member's NDF account originally funding the request.
- Funding for start-up organizations is discouraged. All organizations should be able to prove long term viability before receiving NDF funding.



Non-Profit Grant Requirements

- NDF funds shall not be provided to Neighborhood Associations, Homeowners Associations or similar citizen groups for lawn maintenance or mowing private, nongovernment owned property unless all the following criteria are met:
 - The property has been assigned or referred for cutting by Metro. A lien has been or shall be filed.
 - Anyone paid for mowing grass or maintaining property must provide: proof of insurance directly from their insurance agent, proof that they are registered with the Louisville Revenue Commission. If chemicals are necessary for property maintenance, any person(s) who uses such chemicals shall be certified to use such chemicals as required by the Kentucky Department of Agriculture's Division of Environmental Services.
 - Keep records of all properties maintained, service dates and person(s) paid for work for the entire year. Documents must be available for review by Metro Government and its Internal Auditor and must be part of any future grant requests sought from Metro Government within the next four years.



NDF Application – New Form Required After June 30, 2014

The NDF Application (Current Version Effective April 2014)

Contains Seven Sections:

1. Applicant Information
2. Program Request and Financial Information
3. Agency Details
4. Program/Project Narrative
5. Program/Project Budget Summary
6. Certifications & Assurances
7. Signature



Sections 1 - 2

- Demographic and Contact Information
- Program/Project Name, Amount Requested, Purpose and Previous Funding
- Required Attachments – Look for the “ifs”
- Current Fiscal Year Funding – Awarded Even if Not Received
- BBB Charity Review Status – Not Required



Section 3

Description of Agency's Vision,
Mission and Services - Tells
the Council Who You Are and
Why You Are Important



Section 4 – Most Important

- A. Description of Grant Request
 - Start and End Dates
 - Description of grant request – Include applicable data with regards to specific client population
 - Attach flyers, planning minutes, designs, event permits, proposals for services/good, etc

- B. Describe SPECIFICALLY how the funding will be spent – include any subgrantee(s) funding

- C. Fundraiser – Metro Must Know How Any Funds Raised Will be Used – This COULD Disqualify the Grant



Section 4 Continued

- D. Reimbursements
 - The grant may be used to reimburse expenditures after the application date, but prior to the Metro Council approval date – no documentation is required but box MUST be checked
 - Before Application Date No Longer Allowed Unless Sponsoring Council Member Proves an Emergency.
- E. Describe the Grant's Benefits – Helps the Council Determine Public Purpose
- F. Describe Collaborative Relationships with Other Community Organizations



Section 5 – Budget

Caution: If this Page is not Complete and Understandable, you may not Receive all the Funds

- Include ALL Expenditures for the Program – Metro and Non-Metro (Column 1 and Column 2 with Total in Column 3)
- If the Program is a Fundraiser, the Revenues “Should” Exceed the Expenditures
- Include an Estimate of Volunteer Services and In-Kind Assets
- Disclose Significant Change Expected in Next Year’s Budget



Section 5 – Budget

- A. Personnel Costs including Benefits
- B. Rent/Utilities
- C. Office Supplies
- D. Telephone
- E. In-Town Travel
- F. Client Assistance – Requires Detail
- G. Professional Service Contracts
- H. Program Materials
- I. Community Events and Festivals – Requires Detail
- J. Small Equipment
- K. Capital Equipment
- L. Other Expenses – Requires Detail



What's In a Line?

- A. Personnel Costs Including Benefits** – Wages and fringe benefits paid to individuals hired by your organization.

- B. Rent/Utilities-** Rental of office space where services are rendered. The LG&E, Water, etc associated with the facility.

- C. Office supplies** –is the generic term that refers to all supplies regularly used in offices by businesses and other organizations.



What's in a Line?

D. Telephone – cost of landlines as well as company owned cell phones telephones

E. In-town Travel – local travel for program related purposes in a **company** vehicle.

F. Client Assistance- aid given to those in need. It can be payment of an electric bill, weatherizing a home, etc.



What's In a Line?

G. Professional Service Contracts- paying a professional for services rendered, usually through a contract/agreement.

H. Program materials- constitutes a supply used for the program. It could be the purchase of fliers, pen, pencils, paper, printing of pamphlets, etc.

I. Community Events/Festivals - public event that can include entertainment and various activities for the community.



What's in a Line?

J. Small Equipment - equipment to include but not limited to computers, printers, furniture, etc.

K. Capital Equipment - fixed asset like a building or playground. Capital expenditures usually create future benefits

L. Other – miscellaneous category that is used to define specific expenditures not included as a line in the budget detail above.



Section 6 & 7 – Your Promises

- Standard Assurances - #11 New
- Standard Certifications - #2
- Relationship Disclosure
- Signature – Certifies under Penalty of Law That Application is Accurate and Signature is Authorized
- Falsification Could Result in Repayment of Funds



How Long Does it Take?

- Applications Filed with Council Clerk Monday Before a Council Meeting (Generally 2nd and 4th Thursday)
- Considered by Appropriations, CIF and NDF Committee the Next Week
- If Over \$5,000 Considered by the Entire Council at Their Next Regularly Scheduled Meeting
- Grant Agreement Sent to Applicant Within Ten Days of Final Approval
- Grantee Should Return the Signed Grant Agreement ASAP.
- If Not Returned Within 90 Days - Grant Approval is Revoked (New)



Next Step

Processing and Monitoring by
Office of Management and
Budget



Neighborhood Development Fund Training

The NDF Grant Agreement



The NDF Grant Agreement

Section I - Grantee's Services and Responsibilities

- A. Grantee agrees to implement and administer this award in accordance with the Work Program and Budget approved through the NDF grant application process by the Louisville/Jefferson County Metro Council.
- B. Grantee agrees to maintain, during the term of the contract, and retain not less than five years after completion thereof, complete and accurate records of all the Grantee's costs which are chargeable to Metro Government under this Agreement as well as all other funding sources for the funded program or project.



The NDF Grant Agreement

Section I - Grantee's Services and Responsibilities

- C. Grantee agrees that Metro Government shall have the right, at any reasonable time, to inspect and audit those records by authorized representatives of its own or any public accounting firm selected by it.

The records thus to be maintained and retained by the Grantee shall include (without limitation):

- Payroll Records
- Service Agreements
- Invoices
- Receipts
- Cancelled Checks
- Participant Records



The NDF Grant Agreement

Section I - Grantee's Services and Responsibilities

D. Financial Reporting

- For awards paid in one lump sum, the Grantee shall be required, and agrees to submit financial and progress reports within 30 days after the close of the 60 days in which the Grantee must spend the full payment.

ONE TIME PAYMENT SCHEDULE:

<u>Payment Processed</u>	<u>One Payment</u>	<u>Funds Spent by</u>	<u>Final Report Due</u>
July 1 - Sept 30	Upon Execution	Within 60 days of check date	Within 30 days after the close of 60 days
Oct 1 - Dec 30	Upon Execution	Within 60 days of check date	Within 30 days after the close of 60 days
Jan 1 - Mar 31	Upon Execution	Within 60 days of check date	Within 30 days after the close of 60 days
April 1 - Jun 30	Upon Execution	Within 60 days of check date	Within 30 days after the close of 60 days



The NDF Grant Agreement

- For awards paid on a disbursement basis, the Grantee shall be required, and agrees to submit financial and progress reports in accordance with the quarterly schedule.

DISBURSEMENTS PAYMENT SCHEDULE:

<u>Payment Processed</u>	<u>1st pymt</u>	<u>2nd pymt</u>	<u>3rd pymt</u>	<u>4th pymt</u>	<u>Funds spent By</u>	<u>Final Report Due</u>
July 1 - Sept 30	Upon Execution	After Oct. 15 rept received and approved	After Jan. 15 rept received and approved	After April 15 rept received and approved	June 30	July 15
Oct 1 - Dec 30	Upon Execution	After Jan. 15 rept received and approved	After April 15 rept received and approved		June 30	July 15
Jan 1 - Mar 31	Upon Execution	After April 15 rept received and approved			June 30	July 15
April 1 - Jun 30 (automatic extension to Sept 30)	Upon Execution	After July 15 rept received and approved			Sept 30	Oct 15



The NDF Grant Agreement

Section II - Payments

- A. Metro Government shall make payment based on the nature of the expenditure.

Payment Method Schedule	
Operating	Payment Method
Personnel Costs, Including Benefits	Disbursements
Rent / Utilities	Disbursements
Office Supplies	Disbursements
Telephone	Disbursements
In-Town Travel	Disbursements
Client Assistance	Disbursements
Professional Service Contracts	Disbursements
Program Materials	Disbursements
Community Events and Festivals	One-Time Payment
Capital	Payment Method
Small Equipment	One-Time Payment
Capital Equipment	One-Time Payment
Other	Payment Method
Other Expenses, Attach Detailed List	Disbursements or One-Time Payment as Determined Appropriate



The NDF Grant Agreement

- The financial report shall be completed in the format provided by the Office of Management and Budget and shall account for all funds received and expended by the Grantee.
- All reports and correspondence shall be addressed to:
Louisville/Jefferson County Metro Government
Office of Management and Budget
NDF Coordinator,
611 West Jefferson Street
Louisville, Kentucky 40202.



The NDF Grant Agreement

Section II – Payments

- B. One payment for the total amount of the Agreement shall be made for items considered one time expenditures, such as advancements for a community event and festivals or a capital purchase of machinery and equipment. The Grantee agrees to spend funds disbursed in total in accordance with the Work Program and Budget within 60 days of the check date and submit to Metro Government a financial report with supporting documentation within 30 days.



The NDF Grant Agreement

Section II – Payments

- C. Payment shall be made through equal disbursements for operating expenditures such as salaries, rents, utilities, supplies, telephone, in town travel and client services, or ongoing Capital expenditures such as construction projects.
 - The initial disbursement shall be made to the Grantee upon execution of this agreement.
 - All subsequent disbursements to the initial payment are contingent upon compliance by the Grantee to submit all applicable financial reports and supporting documentation.



The NDF Grant Agreement

Section II – Payments

- D. For grants that are executed, and the initial disbursement paid after April 1st, the total payment will be disbursed in two equal payments with the final payment occurring after the July 15 reports are received by OMB and approved.
- E. The total amount of such compensation payable under this Agreement shall not exceed the awarded amount, and cover expenditures as specified in the Work Program and Budget of the Grantee. Such disbursements shall be made in accordance with procedures established by Metro Government.



The NDF Grant Agreement

Section III - Duration of Agreement

- A. This Agreement shall become effective as of the ___ day of ___20__ and shall terminate on the 30th day of June 20___.
- B. Any expenditures incurred by the Grantee that occur prior to the effective date of this agreement, but are in accordance with the approved scope of work and Work Program and Budget, may be accepted as compliant as long as
 - the Grantee has disclosed in the grant application that related expenditures were already incurred prior to the application for funding, or were likely to occur after the application date but prior to the effective date of this agreement.



The NDF Grant Agreement

Section III - Duration of Agreement

- C. Any unspent Grant Funds held by Grantee shall be returned to Metro Government, if not used in accordance with the Work Program and Budget, Within **15 days of the end of the award period.**
- D. This Agreement may be terminated by submitting thirty (30) days' written notice to the non-terminating party of such intent to terminate. Should Grantee terminate this Agreement, all unspent funds shall be returned to Metro Government, within **thirty (30) days of such termination.**



The NDF Grant Agreement

Section IV - Agreement Extensions

- A. Any award paid to the grantee via one full payment will be required to spend the awarded funding within 60 days of the check date. If a Grantee is unable to spend the award within 60 days, the Grantee may submit a written request for extension.
- B. Any award paid after April 1st of any fiscal year via multiple disbursements must be spent by September 30th of the following fiscal year. The Grant Agreement will identify a September 30 ending date. This is an automatic extension and a written extension request is not required.
- C. Any award paid prior to April 1st via multiple disbursements, must be spent by June 30. If the Grantee is unable to spend the funds in accordance with this deadline, the Grantee may submit a written request for extension.



The NDF Grant Agreement

Section IV - Agreement Extensions

- D. A written request for an extension must:
- be submitted before the end of the award period,
 - include the amount remaining to be spent,
 - provide an explanation as to why the funds were not spent in accordance with the applicable deadlines identified in the agreement,
 - and provide an estimated date by which the remaining funds will be fully expended.
- E. The request should be submitted to the **Louisville/Jefferson County Metro Government, Office of Management and Budget, NDF Coordinator, 611 West Jefferson Street, Louisville, Kentucky 40202.**
- F. A Grantee may request an extension only once, and the extension will be in effect for no more than ninety (90) days.
- G. If, at the end of the extension period, the Grantee still has not fully expended the award, the Grantee will be required to return any unspent funds.



The NDF Grant Agreement

Section V - Amendments to the Program Budget

- A. A Program Budget will be completed as part of the application process.
 - The Council will approve the award based on information provided in the Program Budget.
 - The application Program Budget will automatically become part of the Grant Agreement.
 - If the Council approves an amount different than what is originally submitted in the NDF application, an amended Program Budget must be completed and submitted with the signed Grant Agreement.



The NDF Grant Agreement

AMENDED NDF GRANT PROGRAM BUDGET

<i>Budget Category</i>	<i>Metro Funds</i>	<i>Non-Metro Funds</i>	<i>Total</i>
Personnel Costs, including benefits:			
Rent / Utilities:			
Office Supplies:			
Telephone:			
In-Town Travel:			
Client Assistance, Attach Detailed List:			
Professional Services Contracts:			
Program Materials:			
Community Events and Festivals, Attach Detailed List:			
Small Equipment:			
Capital Equipment:			
Other Expenses, Attach Detailed List:			
TOTAL:			



The NDF Grant Agreement

Section V - Amendments to the Program Budget

- B. If at any time in the duration of the agreement, the Grantee determines that they are unable to expend the awarded funds in accordance with the approved Program Budget, an amended Program Budget must be completed
- C. The Grantee must submit a written request to the **Office of Management and Budget, NDF Compliance, 611 West Jefferson Street, Louisville, KY 40202.**
- D. The request must be on Letterhead and include an explanation for the requested change.
- E. If approved, the Grantee will receive written approval from OMB.



The NDF Grant Agreement

Section V - Amendments to the Program Budget

- F. Amendments to the Program Budget can only occur within Council approved Program Budget categories.
- G. If a Grantee determines that the awarded funding should be spent on an expenditure category not previously approved:
 - It will have to go back before Council for approval
 - A new grant agreement and Program Budget will have to be executed
 - Any portion paid out under the old agreement will be subject to the close out process.
 - Upon receipt of the new executed agreement, OMB will proceed with processing **FOLLOWING** the return of unused funds and the close out of the old agreement.



The NDF Grant Agreement

Section VI - Additional Covenants and Representations of Grantee

- A. Grantee covenants that it has all necessary power, capacity and authority to execute and deliver this Agreement and to provide the services contemplated by this Agreement and the Work Program. Grantee further covenants that it is a duly organized and validly existing entity, is qualified to do business in the State of Kentucky, has full right, power and authority to enter into this Grant Agreement, and that the person signing on behalf of Grantee is authorized to do so.
- B. Grantee covenants that the person executing this Agreement has the full and requisite power to legally bind the Grantee and no additional approvals are required.



The NDF Grant Agreement

Section VI - Additional Covenants and Representations of Grantee

- C. Grantee agrees to expend all Grant Funds and to implement and administer the Project strictly in conformity with the Work Program and Budget, and agrees not to deviate from the Work Program and Budget without the prior written agreement of Metro Government.
- D. Grantee agrees that it shall implement and administer the Project in compliance with all applicable laws, regulations and codes of the federal, state and consolidated local governments.
- E. Grantee agrees that in the implementation and administration of the Project it shall not unlawfully discriminate against any person by reason of race, religion, color, sex, national origin, because the person is a qualified individual with a disability, age 40 or over, familial status, sexual orientation, gender identity, is a smoker or non-smoker, or because of the person's Vietnam-era Veteran status.



The NDF Grant Agreement

Section VI - Additional Covenants and Representations of Grantee

- F. Grantee covenants that this Agreement together with the Work Program is in all respects the legal, valid and binding obligation of the Grantee and the performance of the Project and the compliance with the terms of this Agreement does not and will not violate any existing provisions of the Grantee's articles of incorporation, by-laws or other agreements of organization.
- G. Grantee covenants that neither this Agreement, the Work Program, the grant application or any other document submitted to Metro Government in support of this grant contains any untrue statement of any material fact or omits to state any material fact necessary to make the statements contained therein, and further that there is no fact known to the Grantee that materially and adversely affects, or in the future could materially and adversely affect the ability of the Grantee to implement and administer the Project.
- H. Grantee agrees to publicly acknowledge that Louisville/Jefferson County Metro Government has provided partial funding for the project



The NDF Grant Agreement

Section VII – Hold Harmless

The Grantee shall indemnify, hold harmless, and defend the Louisville/Jefferson County Metro Government, its elected and appointed officials, employees, agents and successors in interest from all claims, damages, losses and expenses including attorneys' fees, arising out of or resulting, directly or indirectly, from Grantee's (or Grantee's subcontractors, if any) performance or breach of this Agreement provided that such claim, damage, loss or expense is: (1) attributable to personal injury, bodily injury, sickness, death, or to injury to or destruction of property, including the loss of use resulting therefrom, or breach of contract, and (2) not caused by the negligent act or omission or willful misconduct of the Louisville/Jefferson County Metro Government or its elected and appointed officials and employees acting within the scope of their employment. This Hold Harmless and Indemnification Clause shall in no way be limited by any financial responsibility or insurance requirements and shall survive the termination of this Agreement.



The NDF Grant Agreement

Section VIII - Default

- A. Declaration of Bankruptcy of Grantee
- B. Failure to administer and implement the project in accordance with the Work Program and Budget
- C. Failure to submit the financial and progress reports required by this Agreement in accordance with the established deadline schedule, or to furnish any additional information to Metro Government if required.
- D. Disclosure or discovery that the covenants and representations made by the Grantee in this Agreement, the Work Program, the grant application or other document submitted in support of this Grant is, was, or shall be false or misleading in any material respect.
- E. Disclosure or discovery that goods purchased with Grant Funds have not been used in accordance with the Work Program and Budget. In such cases, Grantee shall return said goods to Metro Government or return the amount of the Grant Funds.



The NDF Grant Agreement

Section IX – Remedies of Metro Government Upon Events of Default

- Upon the occurrence of an event of default, Metro Government, in its sole discretion and without notice to the Grantee, may at any time exercise any one or more of the following rights and remedies:
 - A. Immediately terminate or suspend the Grant, by written notice, after which Metro Government shall be under no obligation to advance any undisbursed Grant Funds to the Grantee.
 - B. Immediately suspend the Grantee from receiving future NDF awards until all Default events have been satisfied.



The NDF Grant Agreement

Section IX – Remedies of Metro Government Upon Events of Default

- C. Commence an appropriate legal or equitable action to enforce the Grantee's performance of the terms, covenants and conditions of this Agreement or the Work Program.
- D. Declare all Grant Funds previously disbursed to the Grantee to be immediately due and payable in full, without any presentment, demand or notice of any kind, all of which are hereby waived by the Grantee.
- E. Commence appropriate legal or equitable action to enforce the rights and remedies of Metro Government, or any one or more of them, pursuant to the terms, covenants and conditions of this Agreement.
- F. Exercise any other rights or remedies that may be available to Metro Government pursuant to this Agreement or under applicable laws.



The NDF Grant Agreement

Section X - Employer / Employee Relationship

It is expressly understood that no employer/employee relationship is created by this agreement nor does it cause Grantee to be an officer, official, or agent of the Metro Government.



The NDF Grant Agreement

Section XI - Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Kentucky. In the event of any proceedings regarding this Agreement, the Parties agree that the venue shall be the state courts of Kentucky or the U.S. District Court for the Western District of Kentucky, Louisville Division. All Parties expressly consent to personal jurisdiction and venue in such Court for the limited and sole purpose of proceedings relating to this Agreement or any rights or obligations arising thereunder. Service of process may be accomplished by following the procedures prescribed by law.



The NDF Grant Agreement

Section XII - Entire Agreement

This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter set forth herein and this Agreement supersedes any and all prior and contemporaneous oral or written agreements or understandings between the Parties relative thereto. No representation, promise, inducement, or statement of intention has been made by the Parties that are not embodied in this Agreement.



Neighborhood Development Fund Training

Financial Reporting



FINANCIAL REPORTING

- Reporting Schedule
- Financial Report Form
- Documentation
 - Define Sufficient Documentation
 - Payroll Documentation
 - Invoice / Receipt Documents
 - Proof of Payment Requirements



FINANCIAL REPORTING

Grant Agreement Schedule

<u>Quarter</u>	<u>Funds Received</u>	<u>Report Due</u>
First	July – September	October 15 th
Second	October – December	January 15 th
Third	January – March	April 15 th
Fourth	April – June	July 15 th



Sufficient Documentation

- Sufficient Documentation is defined as the evidence that a service or goods was purchased and meets the needs of a specific activity.

Salary Documentation

- Payroll records from an internal financial system
 - System Report listing the employees applicable to the grant
 - Copy of Cancelled check or bank statement
- Payroll records from an outsourced payroll company
 - Outsourced payroll report listing the employees applicable to the grant
 - Copy of summary page showing total payroll charged to bank account
 - Copy of the Bank Statement
- Payroll records for Grantees without a payroll system
 - Signed Timesheet for each employee
 - Excel payroll summary that breaks out benefits, taxes and net pay.
 - Copy of the Cancelled check



Sufficient Documentation

Invoice Documentation

➤ An invoice is an instrument used to bill an organization for a goods or service. An invoice should have the supplier's name or company logo on the invoice and must answer the following questions:

- **Who** made the Purchase (organization's name)
- **What** was purchased (goods or services, with detailed listing of the goods purchased, the event name, and what services were performed)
- **When** was the purchase made (date on the invoice/receipt)
- **Where** was the purchase made (name of the Supplier)



Sufficient Documentation

Receipt Documentation

- All receipt documentation should answer the same questions as the invoice documentation: Who, What, When and Where. Below are several acceptable receipt types:
 - **Cash register receipts** - includes the store name, date of purchase, a detailed description of purchase, total amount and the form of payment.
 - **Handwritten receipts for a service** - must be written by the person providing the service (ex. repair, catering, performance, etc). Must be signed and dated by the service provider. Must include a detailed description of work performed and must have an amount and list form of payment.
 - **Handwritten receipts for reimbursement of a product**- The handwritten receipt must be accompanied by the purchase receipt, and show payment for the product. Ex. Purchased Juice @ X Grocery Store Paid \$20, Must provide receipt from Store with Handwritten receipt



Sufficient Documentation

Proposal/Contract Documentation

- It is understood that some contractors do not provide an additional invoice for services rendered. In these cases the proposal or quote is acceptable, if all of the following conditions are met:
 1. Services were rendered as proposed with no changes in the scope of work detailed in the proposal/quote
 2. The Grantee made payment to the supplier from the proposal/quote
 3. The proposal/quote should be marked as “work complete” to justify payment



Sufficient Documentation

Proof of Payment

➤ To ensure Louisville Metro Government NDF funds are used in accordance with the grant agreement, all payments made to suppliers, contractors, employees must be made from the Grantee's bank account (depository account) receiving the NDF grant funds. The following payment types are accepted:

- **Cancelled checks** - copies of the front and back of the check to prove payment was made for each invoice/receipt.
- **Bank Statements** - are acceptable if the grantee has a payroll report listing the check numbers of each employee or if the grantee only provides check copies.
- **Cash Payments**- are discouraged, but considered acceptable if the receipt shows “**cash**” as the payment , and the grantee attest in writing that the funds being used are Neighborhood Development Funds.



Sufficient Documentation

Proof of Payment (Continued)

- **Credit Card Payments** – A copy of the credit card statement with the name of the grantee on it and the line of the purchase, a cancelled check paying off the applicable NDF expenditures and an attestation that the payment was made from NDF funds to pay for an NDF grant related purchase.
- **Debit Card Payments** – A copy of the bank statement showing the individual transactions.



Documentation Examples

- Invoice Paid by Check
- Receipt Paid by Check
- Receipt Paid by Credit Card
- Outsourced Payroll
- No Payroll System
- Client Assistance
 - Participant Listing
 - Sign-In Sheet
- Handwritten Receipt
- Contract Payment



Questions and Answers