



COMMUNITY AND RURAL DEVELOPMENT

Grant Compliance Packet

Updated July 2020

TNECD Grantee Compliance Packet

This packet contains an overview of all forms and processes necessary for compliance and successful completion of a Rural Development grant from the Tennessee Department of Economic & Community Development (TNECD).

The following page lists all forms that must be completed to remain in compliance with the grant contract terms.

The subsequent pages give an overview of how each form should be completed.

Each form includes additional, specific instructions unique to its purpose. To access each form, click the title at the top of the respective slide.



Required Fiscal Forms

Forms required before grant activities begin:

- Sample Grant Budget & Examples
- Grant Payment Setup Form
- Supplier Direct Deposit Authorization
- W-9
- Title VI Pre-Audit Survey, Training & Quiz

Forms required during grant activities:

- Invoice Template
- Submission of Audit and CAP
- Budget Revision
- Scope Change
- Contract Amendment
- Cumulative Adjustment



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Pre-Grant Forms & Completion

Sample Grant Budget

- This is a sample copy of the budget template used in the final grant contract for most TNECD programs
- The definitions/examples column provides commonly used expenses for each line item to assist with the development of a contract budget for your project
- Review project scope and expected expenses to determine appropriate budget categories
- Final budgets should be sent to the appropriate Rural Development Program Director
- Reimbursement requests are compared to the budget

Grant Payment Setup Form

- Must be completed once grant is awarded or prior to contract development
- Must provide FEIN, bank account information and address
- Requires signature from grant contact (digital signature is accepted)
- Completed form should be emailed to ECD.Invoices@tn.gov
- Additional forms may be required depending on the grantee's responses to the questions
- **NOTE:** This form and the W-9 and Supplier Direct Deposit Authorization forms are the biggest delays in processing contracts. Please make sure all legal names, addresses, and account numbers match or the contract and/or payments will be delayed.

Supplier Direct Deposit Authorization

- This is part of the Grant Payment Setup Form and is required if this is a new account for the state to deposit funds into
- Must provide account holder information, authorization and financial institution verification
- Requires signature from grant contact
- Form should be **mailed** to State of Tennessee Supplier Maintenance (address noted on form) with a wet signature or a digital signature

NOTE: This form is only required

1. If your organization does not have an account established with the state
2. If your organization wishes to change the current bank account information



W-9

- This is part of the Grant Payment Setup Form and must be completed only if the grantee is receiving a TNECD grant for the first time or has a new sub-entity as a grant recipient
- Must provide contact information and federal tax classification
- Requires signature from grant contact
- Completed form should be emailed to ECD.Invoices@tn.gov

Title VI Pre-Audit Survey, Training & Quiz

Title VI Survey

- Must be completed in compliance with Civil Rights Act of 1964
- Form must provide contact information and racial composition of service area and governing board
- Requires signature from grant contact
- Copy of non-discrimination policy must be submitted as well
- Form and policy should be emailed to respective Rural Development Program Director

Grantee must also complete Title VI Training and Quiz found **here**. Send certificate of completion to Program Director.

NOTE: If the compliance officer and chief admin differ, be sure to have both parties sign the survey document.



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Grant Management

Invoice Template

- This document will be sent to the grantee contact via email once the contract is approved
- Must be completed to receive reimbursement for allowable grant expenses
- Should submit one request per month or at least one every three months
- Requires supporting documentation for each request
- Requires signature from grant contact
- Completed form and supporting documentation should be emailed to ECD.Invoices@tn.gov

Audit and Corrective Action Plan Submission

- TNECD is required to review each grantee's most recent audit every fiscal year
 - This helps the program manager determine the risk level of the grantee and the level of monitoring needed
- Local government audits are available on the Comptroller's website and will be viewed there
- Any grantee whose audit is not available on the Comptroller's website must submit a copy of their most recent audit annually.
- The audit should be submitted **here**.
- If there are audit findings, a Corrective Action Plan (CAP) must be submitted that describes how the audit findings will be addressed by the grantee
- A Management Decision Letter will be issued by TNECD if there are audit findings to acknowledge the CAP
- Grantees with multiple or severe audit findings related to grant or fiscal management will be subject to higher levels of monitoring

Budget Revision

- Must be completed to make any changes to budget line items after the initial contract is executed
- Requires original and revised budget line items and corresponding budget amounts
- If necessary, must be completed prior to reimbursement being made
- Form should be emailed to respective Rural Development Program Director

Scope Change

- Must be completed to make any changes to the contract scope after the initial contract is executed
 - Required to adjust the project/scope
 - Can be used to increase or decrease quantities in the scope, to adjust the activities that will be completed, or to add or remove activities to/from the scope
 - Discuss possible changes with the Program Director before submission
- Requires original and revised scope language
- Must be completed prior to reimbursement being made (the scope in the contract must match the reimbursement request)
- Form should be emailed to respective Rural Development Program Director

Contract Amendment

- Request must include specific language regarding contract changes needed (date, grant amount, budget amounts, and/or significant change to the scope)
- Request should be emailed to respective Rural Development Program Director
- Once an amendment is issued, it must be approved and signed by all parties and go through the contract approval process

Note: No action should take place on the revised project until the amendment is approved and fully executed. Continuing work without the executed amendment risks unallowable expenses which cannot be reimbursed

Cumulative Adjustment

- A cumulative adjustment should be completed on the final invoice if
 - Grantee participation percentage has changed due to budget revisions **or**
 - Less than 100% of grant funds have been requested on the final invoice and the grantee is eligible for the full amount of the award
- Reimbursement request will be completed like normal with the addition of specified instructions for adjustment
- Requires supporting documentation included with final request
- Requires signature from grant contact
- Completed form and supporting documentation should be emailed to ECD.Invoices@tn.gov

Cumulative Adjustment cont'd

- Examples of when a Cumulative Adjustment may be needed
 - Grantee match rate for individual line items is different from the approved budget
 - For example, if a construction line item is over matched by more than expected in the approved budget, then other line items (even if they have already been paid) can be adjusted as long as the overall match rate doesn't change
 - Grantee has unexpected expenses at the end of the project that would normally necessitate a budget revision
 - Instead of completing a budget revision for the final invoice, a cumulative adjustment can be completed
- This is intended to allow a grantee to draw down 100% of the available grant funds, go back to adjust previously requested/paid line items with little paperwork, and closeout a project efficiently

Rural Development Contacts

CRD Staff Member	Program(s)	Email
Kent Archer	Community Development Block Grant (CDBG) & TN Placemakers Grant	Kent.Archer@tn.gov
Sammie Arnold	Assistant Commissioner	Sammie.Arnold@tn.gov
Alaire Brown	Grants Coordinator	Alaire.Brown@tn.gov
Brooxie Carlton	Deputy Assistant Commissioner	Brooxie.Carlton@tn.gov
Lindsay Gainous	Appalachian Regional Commission (ARC) & CDBG	Lindsay.Gainous@tn.gov
Crystal Ivey	Broadband Accessibility Grant	Crystal.Ivey@tn.gov
Kirby Lewis	Site Development Grant, Certified Site Grant & Property Evaluation Program	Kirby.Lewis@tn.gov
Logan McCoy	ARC, Opportunity Zones & TN Rural Hospital Transformation Act	Logan.McCoy@tn.gov
Jody Sliger	ThreeStar	Jody.Sliger@tn.gov
Nancy Williams	TN Placemakers Grant, Commercial Façade Grant & TN Downtowns Grant	Nancy.Williams@tn.gov
Emily You	Broadband Grants Manager	Emily.H.You@tn.gov

