



COMMUNITY AND RURAL DEVELOPMENT

Grant Compliance Packet

Updated August 2023

TNECD Grantee Compliance Packet

This packet contains an overview of 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

Forms required during grant activities:

- Invoice Template
- Submission of Audit & Title VI Compliance Form
- 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 and the Program Director
- 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.

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 and the Program Director
- Detailed instructions on how to fill out the form can be [found here](#)

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



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Grant Management

Invoice Template

- This document will be sent to the grantee contact via email once the contract is approved by ecd.tefmsadmin@tn.gov
- A completed and signed invoice template, along with supporting documentation, is required for each reimbursement request.
- We ask that grantees submit reimbursement request no more than monthly and no less than quarterly to ECD.Invoices@tn.gov
- Additional instructions for navigating your invoice template and putting together a completed reimbursement request can be [found here](#).

Title VI and Audit Submissions

- TNECD Rural Development has created a form to simplify the submission of Audit and Title VI paperwork.
- This form should be submitted on an annual basis if your entity has an open TNECD grant contract. Each section contains directions and links for the items we are requesting to be uploaded.
- TNECD cannot pay any reimbursement requests unless we have an active submission on file
- The next few slides detail what is needed for each section of the form

Audit Submission

TNECD is required to review each grantee's most recent audit **annually**. This helps the program manager determine the risk level of the grantee and the level of monitoring needed

Items Needed for Compliance:

- Most Recent Audit
 - If you are a City or County, you do not need to upload an audit.
 - If you are not audited, we need your form 990 if you are a nonprofit or an annual report that contains audited financials.
- Corrective Action Plan
 - If your organization had audit findings, upload a copy of your organization's Corrective Action Plan that describes how you will address each audit finding if that is not a part of the audit document.

NOTE:

- 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

Title VI Documentation

Documentation of compliance with the Civil Rights Act of 1964 is required **annually** for all TNECD grantees

Items Needed for Compliance:

- Title VI Policy
 - We will need a copy of your organizations Title VI non-discrimination policy
- Title VI Survey
 - A blank copy of the survey can be [found here](#)
 - The survey must provide contact information and racial composition of service area and governing board and requires signature from grant contact
- Title VI Training Completion
 - The training quiz can be [found here](#). We will need a copy of the certificate uploaded to submission form
 - If you have taken another Department's training, we will accept that certificate in lieu of the ECD training certificate. A copy of the completed and passed training must be uploaded, **and it must be dated within the last fiscal year.**

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

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)
- Scope changes require an amendment to the existing contract so they should be submitted as soon as possible
- 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
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