

CITY OF SPOKANE DEPARTMENT POLICY AND PROCEDURE	DEPT 1669-06-02 LGL 2006-28
TITLE: COMMUNITY DEVELOPMENT BLOCK GRANT & EMERGENCY SHELTER GRANT PROGRAM SUBRECIPIENT PAYMENT REQUESTS	
EFFECTIVE DATE: July 1, 2002	
REVISION EFFECTIVE DATE: June 27, 2006	

1.0 GENERAL

1.1 This policy provides standardized and uniform procedures to comply with applicable Federal, State and City rules, regulations and requirements for the processing of payment requests under agreements funded with Community Development Block Grant funds (CDBG) and Emergency Shelter Grant Program (ESGP).

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2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy applies to subrecipients of Community Development Block Grant funds (CDBG) and Emergency Shelter Grant Program (ESGP) funds and department staff.

3.0 REFERENCES

None

4.0 DEFINITIONS

4.1 "Net Program Income" means that income remaining when operating, maintenance and other incidental costs are subtracted from gross income.

- 4.2 "Subrecipient" means an entity that is provided CDBG funds by the City of Spokane for its use in carrying out agreed-upon, eligible activities. There are three (3) basic kinds of subrecipients: governmental agencies, private non-profits and a limited number of private, for-profit entities when facilitating economic development by assisting microenterprises under the provisions of 24 C.F.R. section 70.201(o).

5.0 POLICY

- 5.1 It is the policy of the City of Spokane to pay subrecipients on a reimbursement basis, where compensation is provided after expenses are incurred and after work is performed in accordance to the terms and conditions of the agreement between the subrecipient and the City. The general policy is described in Section 3 "*Compensation*" of the agreement.

6.0 PROCEDURE

6.1 Payment Request Schedule

- 6.1.1 The payment request schedule is based on the term of the agreement and estimated schedule of payment requests as outlined in the Statement of Work or Summary Digest. Normally, the agreement specifies that payment requests are submitted by the fifth day of the month for the previous month's work.

6.2 Payment Amount

- 6.2.1 The payment amount is based on the estimated amounts indicated in the schedule of payment requests included in the Summary Digest. Monthly payment amounts may vary from month-to-month depending on the subrecipients program schedule and actual expenditures.
- 6.2.2 In any case, payments cannot exceed actual expenditures incurred during the billing cycle. In addition, the payment request amount must be reasonable for work accomplished during the time period.
- 6.2.3 Upon request, subrecipients will provide a written explanation of circumstances that resulted in substantial differences in the actual request compared to estimated amount.

6.3 Payment Request Form and Expenditure Documentation

6.3.1 Payment requests will be submitted on a standard Contract Payment Request form which will be provided to subrecipients upon approval of the agreement.

6.3.2 ORIGINALS OF ALL INVOICES, TIME RECORDS OF STAFF AND OTHER SUPPORTING DOCUMENTS MUST BE ATTACHED TO THE REQUEST, AS WELL AS A SUMMARY OF EXPENDITURES BY BUDGET LINE ITEM CATEGORY.

6.4 Eligible Expenses

6.4.1 Expenditures requested for reimbursement will be reviewed as to agreement with approved budget categories in the Summary Digest. No line item expense shall exceed ten percent (10%) of the budget line item amount over the life of the agreement.

6.4.2 Any request for a line item expense which exceeds ten percent (10%) of the budget amount shall specifically state the reasons for the requested increase and a justification for the corresponding decrease in other line items.

6.5 Program Income

6.5.1 The subrecipient shall report all net program income generated under the agreement or projects funded under this agreement. Net program income, if any, must be reported on the Contract Payment Request Form and payment requests adjusted accordingly.

6.6 Reports

6.6.1 Required reports, as specified in the agreement, shall be submitted monthly with payment requests. Payment requests will not be processed if the report is not submitted.

6.6.2 Subrecipients will use the Community Development Report form or equal format acceptable to the City.

6.7 Technical Assistance

6.7.1 Community Development staff will provide technical assistance to subrecipients as needed with regard to this policy. It is the intent of the department to facilitate timely payment to subrecipients.

6.7.2 Staff will notify the subrecipient to quickly resolve any problems with the request. If there are serious deficiencies, the subrecipient will be notified in writing and advised of corrective actions necessary for the payment requests to be processed.

6.8 Payment Policy Revisions

6.8.1 This payment policy may be revised or modified. Subrecipients will be informed in writing of any procedural changes.


7.0 RESPONSIBILITIES

The director of community development is responsible for administering this policy.

8.0 APPENDICES

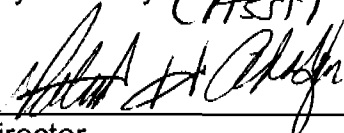
None

APPROVED BY:



City Attorney (ASST)

6-12-06
Date



Director

6/12/06
Date