



Office of Small Credit Union Initiatives
**Urgent Need Grant
Initiative Guideline**

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This document provides guidelines and application requirements for the National Credit Union Administration Urgent Need Grant Initiative for low-income designated credit unions.

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1. OSCUI Introduction

The Office of Small Credit Union Initiatives (OSCUI) supports the success of minority depository institutions and small, low-income and newly chartered credit unions through training, consulting, grants and loans, and partnership opportunities. Our office recognizes the unique role these credit unions play in the lives of their members and communities. We are committed to helping these credit unions not only survive, but thrive.

The OSCUI grant program was established by Congress to provide funds to low-income designated credit unions to help provide financial services to their members and improve credit union operations. The program consists of Congressional appropriations that are administered by OSCUI.

1.1 Qualification Criteria

To qualify for OSCUI's grant program, a federally chartered credit union must have a current "low-income" designation as set forth in NCUA's Rules and Regulations, Section 701.34.

State chartered credit unions must have the equivalent low-income designation from their respective state supervisory authority (SSA) and concurrence from NCUA.

For more information on the low-income designation, visit the website below:

<https://www.mycreditunion.gov/about-credit-unions/Pages/Low-Income-Credit-Unions.aspx>

1.2 System for Award Management (SAM)

All credit unions are required by federal law to have an active registration with the government's System for Award Management, prior to applying for OSCUI's grant program.

Registration is necessary for NCUA to meet federal grant disclosure requirements. Instructions for registering your credit union are available at the website below:

<https://www.ncua.gov/services/Pages/small-credit-union-learning-center/Documents/GSA-system-award-management-registration-information.pdf>

2. Urgent Need Initiative

This initiative provides financial assistance for three types of projects such as natural disaster relief, newly chartered credit unions, and relocation assistance. Section 2.1 – 2.3 contains more information about each type of urgent need project.

Applicants must apply for each project in a separate application and may only submit one reimbursement request for each application.

OSCUI accepts applications for this initiative year-round. To apply, visit www.cybergrants.com/ncua/applications.

2.1 Emergency and Natural Disaster Relief

Emergency and natural disaster relief projects are the result of sudden, unexpected costs to the credit union which, if left unaddressed, will result in a disruption of existing services to members. The grant covers costs to restore services, replace equipment, and make repairs that are not covered by insurance.

For this project, the maximum grant amount is \$7,500 per year for eligible credit unions.

Credit unions may apply for this project, in addition to the other projects offered under the urgent need initiative.

The following represent a list of eligible emergency and disaster relief projects:

- Repairing damage to the credit union that occurred from natural disasters and is not covered by insurance.
- Replacing equipment necessary to immediately restore services to members as a result of an unexpected event such as power outages from storms.
- Paying consultant fees for records reconstruction after a natural disaster.
- Converting data services following an event such as a vendor bankruptcy.

2.2 Home-Based Relocation

Home-based relocation projects are available for residential credit unions relocating to a non-residential site. Residential credit unions may use the funds for planning, acquisition, renovation, equipment, and moving costs associated with the relocation to a non-residential site.

For this project, the maximum lifetime grant amount is \$7,500 for eligible credit unions.

Credit unions may apply for this project, in addition to the other projects offered under the urgent need initiative.

The following represent a list of allowable expenses for home-based relocation projects:

- Consultant fees.
- Construction.
- Hardware, software, or equipment such as computers and laptops.
- Materials.
- Marketing and advertising.
- Other expenses associated with the relocation to a non-residential site.

2.3 Newly Chartered Credit Unions

Newly chartered credit union projects are available to assist credit unions in their first three years of operations. Eligible credit unions may use the grant to implement financial services and products, train employees, or hire a consultant.

For this project, the maximum lifetime grant amount is \$7,500 for eligible credit unions.

Credit unions may apply for this project, in addition to the other projects offered under the urgent need initiative.

The following represent a list of eligible expenses for newly chartered credit unions:

- Hardware, software, or equipment that will assist the credit union in implementing financial services and products (particularly those contained in the chartering business plan approved by NCUA).
- Training for officials and/or employees that will help implement financial services and products (particularly those contained in the chartering business plan approved by NCUA).
- Consulting to develop or assist implementing a strategic, business, succession, or marketing plan.
- Consulting, construction or materials to improve the operating facility.

2.4 Ineligible Projects for the Urgent Need Initiative

The following represent a list of projects that are not eligible for Urgent Need assistance:

- Replacing or upgrading outdated technology hardware, software, or equipment.
- Vendors' price increases.
- Funding for salaries, annual audits, and other operating costs.
- Addressing items of supervisory concern such as those recommended in a Document of Resolution.

3. Evaluation of Applications

NCUA will consider the NCUA CAMEL ratings when reviewing the Urgent Needs application. Other Non Financial Factors include:

- Assessment of credit union management via examination reports.
- Compliance with previous awards received from the OSCUI grant program.
- Progressive impact of project.

4. The Grant Process

Step 1 – Submitting an Application:

- Credit unions must submit a grant application online. In the application, there is an organization, contact, project, and certification section that must be completed.

- First, credit unions must complete the organization and contact profile. This profile requires details about the credit union and designated point of contacts. Credit unions should have the ACH information for direct deposit, tax identification number, and DUNS number readily available. A DUNS number can be obtained by calling Dun and Bradstreet, toll-free, at 1-866-705-5711, or by visiting the Dun and Bradstreet website at <http://fedgov.dnb.com/webform>.
- Credit unions will be asked to answer questions regarding the type of project you need assistance for and the total costs associated with it.
- All credit unions must receive a formal application approval and a commitment number before incurring any project expenses.
- All credit unions are required to certify the terms and conditions in CyberGrants.

Step 2 – Application Review/Decision:

- NCUA performs a substantive review of each grant application including the eligibility and completeness.
- NCUA will not process incomplete applications. Incomplete applications must be resubmitted.
- If NCUA has additional questions regarding a particular application, the credit union will be contacted via email at the email address provided in the grant application.
- In general, NCUA will notify credit unions of the application's final decision within 30 business days of the application submission date. Some applications require additional time to process.
- Credit unions will receive a formal notification of the final grant decision via email. The email address for the primary point of contact designated in the grant application will be used.
- Credit unions that are approved for an Urgent Need grant will receive a **grant expiration date** and a **commitment number** in the formal email notification.
- Credit unions may also obtain details about the status of their grant application by logging into the CyberGrants system.

Step 3 – Credit Unions may Initiate Projects:

- After receiving a formal approval, credit unions may spend the funds to purchase the goods or services to implement the approved project.
- All expenses incurred by the credit union must be on or after the date on the formal approval notification.
- Credit unions should notify the NCUA immediately if the funds awarded will not be utilized as planned.

Step 4 – Credit Unions Request Reimbursement:

- Credit unions must submit evidence that supports the purchase and payment for the project expenses. Refer to [Appendix A](#) for acceptable forms of each item.

- Credit unions must also report the outcome of the project and the impact on its membership.
- The reimbursement request must be completed by the **grant expiration date**. All expenses associated with the project must be submitted at one time as partial reimbursement requests will not be accepted. Only one reimbursement will be disbursed to each credit union.
- Proof of grant reimbursement expenses must match the expense items stated within the original urgent need grant application.

Step 5 – Reimbursement Review/Decision:

- NCUA will review the reimbursement request for completeness and expense eligibility.
- NCUA will not process incomplete reimbursement requests. Incomplete requests must be resubmitted, given that the **grant expiration date** has not passed.
- If NCUA has pending questions regarding a particular reimbursement request the credit union will be contacted via email address provided in the application.
- In general, NCUA will notify credit unions of the final decision within 14 business days of the reimbursement request submission date. Some reimbursement requests require additional time to process.
- Credit unions will receive a formal notification of the final reimbursement decision via email. The email address for the primary point of contact designated in the reimbursement request will be used.
- When the reimbursement request is approved, credit unions receive the payment via direct deposit within 3 business days of the reimbursement request approval email.

5. Grant Expiration Date and Extension Request

- Credit unions must email OSCUAPP@ncua.gov immediately if the funds awarded will not be used as planned.
- In the event that credit unions need additional time to complete a project, a grant expiration extension request form must be submitted prior to the original **grant expiration date**. Refer to *Appendix C* for the grant extension request form.
- NCUA will not extend the **grant expiration date** for more than 90 days after the original date.
- If reimbursement requests are not submitted by the extended **grant expiration date**, the grant will be withdrawn from the credit union.
- Grant extension requests must be approved in writing by the NCUA. This approval documentation must be in the form an email.

6. Treasury Guidance

Credit unions are expected to follow U.S. Treasury/Office of Management and Budget (OMB) Guidance and Circulars such as:

- A-110: Uniform Administrative Requirements for Grant and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations
- A-122: Cost Principles for Non-Profit Organizations
- A-133: Management Responsibility for Internal Control

Refer to the link below on the OMB Website for additional information:

<https://www.whitehouse.gov/omb/circulars/default>

7. Reporting/Accounting Guidance for Grants

Credit unions should refer to NCUA Accounting Bulletin No. 07-2 for accounting guidance for grant awards from the OSCUI grant program. Credit unions are encouraged to consult with their auditor/CPA with further questions.

Click the following link to be directed to NCUA Accounting Bulletin No. 07-2 on the NCUA website:

<http://www.ncua.gov/Legal/GuidesEtc/AccountingBulletins/ACCTBUL07-02.pdf>

8. General Expense Guidelines

The following are general expense guidelines for the Urgent Need initiative:

1. The following represent conflicts of interest and as a result are ineligible uses of grant funds:
 - Salaries/payments to employees for services provided.
 - Employees and board members may not receive compensation from hired consultants, partners or vendors.
 - Contracts given to credit union employees and board members or their relatives are prohibited.
2. The following miscellaneous operational expenses are ineligible uses of grant funds:
 - Custodial services.
 - Food and refreshments.
 - Matching Funds such as the matching portion of an Individual Development Account program.
 - Monthly, annual maintenance, and insurance costs.
 - Prepaid expenses such as expenses the credit union has paid prior to receiving grant approval.

- Promotional items such as gifts, giveaways, souvenirs, gift cards.
 - Recurring operational expenses such as rent, utilities, annual audits, depreciation, funding for the allowance for loan losses, and office supplies.
 - Transportation, mileage, and parking for employees.
3. The following non-operational expenses are ineligible uses of grant funds:
- NCUA or other government agency employee expenses.
 - Projects/Contracts based on covered relationships with NCUA employee(s).

9. Contact Information

For immediate assistance, email general questions regarding the OSCUI grant program to OSCUIAPPS@ncua.gov.

For technical questions regarding the grant application or reimbursement request, utilize the [“Need Support?”](#) link in the online grant system.

Appendix A: Proof of Purchase and Payment Examples

When requesting reimbursement for each expense item, the credit union must provide a proof of purchase and payment. Acceptable documents are listed below.

Dates on proof of purchase and payment must be after the date stated on the grant approval email. Expenses eligible for reimbursement must be paid after the grant application is approved and before the grant expires. Also, all details in the reimbursement documentation such as the payee name, dollar amounts, and dates must be clear and legible. Proof of grant reimbursement expenses must match the expense items stated within the original urgent need grant application.

Proof of Purchase Examples

- An invoice from the vendor on vendor letterhead,
- A contract or receipt, or
- A work order.

Proof of Payment Examples

- A copy of a cleared check (requires the front and back of cleared check OR a cleared electronic copy with clearance information),
- An ACH confirmation receipt,
- A credit card statement with the payment amount and vendor listed in the statement, or
- Confirmation of a wire transfer (requires details such as transaction ID, amount, and date).

Appendix B: Grant Re-Allocation Request Procedures

Credit unions are not permitted to re-allocate approved funds unless they have received notification of approval of the re-allocation by the NCUA in writing.

In the event that credit unions need to request a re-allocation of approved funds, the credit union should submit the following form:

Grant Re-allocation Request Form

This form must be completed by credit unions requesting to re-allocate approved funds for grants awarded from the National Credit Union Administration (NCUA) Office of Small Credit Union Initiatives (OSCUI) Grant Program.

Credit unions must complete the following information and email this form to OSCUIAPPS@ncua.gov. The email subject line should be “Grant Re-allocation Request” and include the commitment number of the award.

The NCUA will respond to the request via email. All re-allocation requests require approval in writing. Typically the NCUA does not approve re-allocation requests.

1. Date of Request: _____
2. Credit Union Name: _____
3. Charter #: _____
4. Initiative: _____
5. Commitment #: _____
6. Application #: _____
7. Authorized Credit Union Contact Name: _____
8. Credit Union Contact Email Address: _____
9. Credit Union Contact Telephone #: _____
10. Authorized Credit Union Contact Signature: _____

11. Briefly describe the project the credit union was initially awarded funds for in this application and provide the reason(s) the credit union is requesting the re-allocation.

12. Complete the following chart to illustrate the proposed re-allocation:

Expense/Initiative Category	Amount Approved/Category	Proposed Re-Allocation Amounts

Appendix C: Grant Expiration Extension Request

This form must be completed by credit unions requesting to extend the expiration date for reimbursement requests for grants awarded from the National Credit Union Administration (NCUA) Office of Small Credit Union Initiatives (OSCUI) Grant Program.

Credit unions must complete the following information and email this form to OSCUIAPPS@ncua.gov. The email subject line should be “Grant Extension Request” and include the commitment number of the award.

*The NCUA will respond to the commitment request via email. All extension requests require approval in writing and must be received 5 days prior to the original expiration date. . The NCUA will **not** consider extending the grant expiration date for more than **90 days** after the original date.*

1. Date of Request: _____
2. Credit Union Name: _____
3. Charter#: _____
4. Initiative: _____
5. Commitment #: _____
6. Application#: _____
7. Authorized Credit Union Contact Name: _____
8. Credit Union Contact Email Address: _____
9. Credit Union Contact Telephone #: _____
10. Authorized Credit Union Contact Signature: _____
11. Original Grant Expiration Date: _____
12. Requested Grant Expiration Date: _____

13. Briefly describe the project the credit union was initially awarded funds for in this application.

14. Briefly provide the reason(s) the credit union needs an extension to utilize the funds.



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SMALL CREDIT UNION
INITIATIVES



NCUA

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