



# PROtalk: NEUs grant agreement basics

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# Before Non-entitled Units\* (NEU) funds are received

1. Look at this as a recovery related investment in your community.
2. Sending in your pre-contracting document functioned as your NEU's mechanism for accepting funds. You do not need to make a separate request.
3. NEU grant agreements are between the United States Treasury (UST) and your municipality.
4. **IMPORTANT - NEUs will have to provide to Treasury:**  
“copy of actual budget documents validating the top-line budget total provided to the State”
  - When: as part of the October 31<sup>st</sup> initial report to the UST.
5. NCPRO aims to process the grant agreements in the order that pre-contracting documents were received.

## Before NEU funds are received cont.

6. NEUs need to sign their grant agreement prior to receiving funds.

7. The State works with the UST for their signatures. NEUs are authorized to spend once they've received funds.

- We are working to clarify if NEUs will receive copy that has been signed from the UST.

8. You'll receive half of your funds up front and the second half\* no sooner than one year from the date of the first tranche.

9. **VERY IMPORTANT:** You have been assigned a unique identification number. This will be on your grant agreement paperwork. Please retain this, as it will be what the Federal government will use to identify your municipalities.

- NC####
- Example: (NC9999 Zfictious Town )

# Once NEUs have their funds

1. **IMPORTANT:** These funds are NOT a blank check to be used however NEUs want.

- The State will be able to advise local governments on the allowable uses of funds but are expressly prohibited from directing locals how to use the funds.
- Your municipality has the duty of ensuring that the US Treasury allowable use guidelines are followed.

2. NEUs have time to plan.

- Funds can cover costs incurred beginning March 3, 2021, and ending December 31, 2024.
- So long as they're encumbered within the allowable use period, your work can be completed on or up to December 31, 2026.

3. Some funds can be used for the administration of the funds.

## Once NEUs have their funds cont.

4. You can choose to forward some or all of your funds to other entities, but the municipality is still liable for the use of the funds as the prime recipient.
5. Collaboration with other organizations and leveraging your funds (within allowable use areas) with State funds is encouraged.

## Wrapping things up

1. **IMPORTANT:** NEU reports will be directly to the United States Treasury annually, not to NCPRO/the State.
2. Liability for misuse of funds lies with the municipality.
3. All funds are subject to Federal audit.
4. NEUs are not in this alone: NCPRO working with major organizations that assist local governments to ensure continuity of information and understanding of uses and processes.
  - Multiple regional learning and collaboration sessions are being planned for the next few months.



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