A Guide to Navigating
The Neighborhood Council Funding Program

2016-2017
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Introduction

Welcome to the City of Los Angeles’ Neighborhood Council System! We are truly grateful that you have taken the initiative to make a difference in your community and be that crucial connection between stakeholders and the City agencies that provide public services. Although your journey may at times feel overwhelming, rest assured that the Department of Neighborhood Empowerment (EmpowerLA) is here to partner with you and help guide you towards achieving your Neighborhood Council goals.

One of the most critical elements to achieving those goals is the successful management of your Neighborhood Council’s funds. Every fiscal year, the City of Los Angeles provides each Neighborhood Council with funds to conduct their operations, engage in community outreach events, perform community improvement projects, provide Neighborhood Purpose Grants (NPGs) to local non-profits and public schools, and run their election activities. To that end, the Department of Neighborhood Empowerment has evolved the Funding Program to provide you with more immediate access to your funds by opening individual checking accounts for each Neighborhood Council, working hard to reduce the amount of forms and paperwork required to successfully issue payments to vendors, while at the same time ensuring that the use of these public funds is closely monitored to safeguard taxpayer dollars.

The purpose of this handbook is to introduce you to the Funding Program, how to sign up, identify the critical elements to managing your funds, and provide you with the background necessary to understand how the funds should be used. As with any other questions or concerns you may have, please feel free to contact the Department at any time by emailing EmpowerLA.Funding@LACity.org or calling (213) 978-1551.

ALL FORMS ILLUSTRATED IN THIS HANDBOOK ARE AVAILABLE ON OUR WEBSITE: EMPOWERLA.ORG
The first thing you’ll want to do as a new board member is ensure that your NC roster is up to date with your information. The roster, once updated, should be sent to the Department at Rosters@EmpowerLA.org. Why does this matter? It’s the only way to ensure that your training and eligibility to participate and vote on funding matters can be verified. There are three training requirements that must be met: Ethics, Code of Civility, and Funding (of course). Make sure your training information is updated on the Department website. Now you can vote! The diagram on this page shows you the various types of votes you can expect to make on funding matters, including how often you should see these items on your NC agendas. The best source of information for you is always the Department. Go to the website at EmpowerLA.org or calling the Help

That’s It? Not Really . . .

Although your appointed Funding officers (Treasurer and 2nd Signer) will have a few more steps to take to access the NC Checking Accounts, and will be doing a lot of the heavy lifting when it comes to forms and reports, there are some critical things you must remember as a Board Member:

- YOU are just as responsible for the oversight and proper use of the NC’s funds and Checking Account activity as the Treasurer and 2nd Signer.
- By taking the required training, you acknowledge your understanding of Department ‘s Funding rules and regulations as well as state laws on ethics and conflicts of interest.
In addition to the previously mentioned steps, the Treasurer and 2nd Signer must complete some additional steps to access the NC Checking Account. Once these documents have been signed and submitted, an account will be created and a bank card issued to one of the two Funding officers.

You are now ready to perform the critical functions of your appointment which include:

- Preparing the annual budget
- Completing funding request forms for Department processing.
- Completing cash requests.
- Presenting forms and reports to your NC.
- Issuing payments, collecting invoices and receipts.
- Preparing and presenting Monthly Expenditure Reports (MERs) for Board approval and Department review.
Board Responsibility—In Depth

Who does what, and who’s responsible?

Fiduciary Responsibility

All Neighborhood Council Board Members have the responsibility of ensuring the checking account activity of their respective Board complies with the established policies and procedures prescribed by the Department. All Board members voting on funding items must attend an NC Checking Account Overview Training, and understand the Conflict of Interest laws and consequences for failing to seek the advice of the City Attorney. If a Board Member thinks they may have a potential conflict of interest, they must contact the Office of the City Attorney prior to engaging in discussion or voting on any matters that may pose a potential conflict of interest.

Each Neighborhood Council is required to elect or appoint a Treasurer and Second Signer who are responsible for administering the checking account, making purchases, maintaining all original documents, invoices, receipts, completing, reviewing and signing all funding request. The responsibilities also include the preparation of the Monthly Expenditure Report (MER) and presentation to the Board for approval. Additionally the Treasurer and Second Signatory are required to complete Bank Documents, providing two forms of identification, a Letter of Acknowledgement, and a Bankcard Holder Agreement.

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<th>Treasurer's Responsibilities</th>
<th>Second Signatory's Responsibilities:</th>
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<tr>
<td>• Complete and sign all Funding Request Forms</td>
<td>• Issue online payments to vendors</td>
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<td>• Prepare and present the Monthly Expenditure Report (MER)</td>
<td>• Custodian of the NC bankcard to expend funds</td>
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<tr>
<td>• Prepare and submit a Supplemental Cash Request</td>
<td>• Collects, safeguards and provides all original payment documents to Treasurer for MER preparation</td>
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<tr>
<td>• Maintain all original documents, receipts and other NC Funding supporting documents</td>
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The responsibilities of the Treasurer and Second Signatory may be delegated by the Neighborhood Council between the Funding Officers.

LEADERSHIP

Funding Workshops
When there is a change in the Treasurer or 2nd Signer position, the Department must be notified as soon as possible. The new Funding Officer must have attended and completed the Funding Training, Ethics, and Code of Civility.

The Funding Department may be notified of the changes via email at EmpowerLA.Funding@LACity.org or at (213) 978-1551. The Neighborhood Council is also required to submit a revised Board Roster, using the template provided on EmpowerLA.org and email to Rosters@EmpowerLA.org.
The Neighborhood Council’s budget is its strategic financial road map to assist conduct its activities and achieve its goals. A good budget is inclusive and should include the input of all Board Members and Stakeholders, be accessible and accountable to the policies and laws that govern the use of public funds. It is also important to try and align the budget to the objectives of the Mayor of the City of Los Angeles.

Neighborhood Councils are required to submit a Board approved budget by July 1st, which is the start of the fiscal year. Other required documents submitted with the budget are as follows:

- Strategic Plan—How will you spend your NC funds? What are your major objectives?
- Outreach Survey—How are you doing with your outreach goals?
- Self-Assessment — A look back at the prior year’s goals.
- A completed and signed Board Vote Form reflecting the NC’s adoption of the budget.

An NC can amend and reallocate its budget at any-time throughout the year, however, the amended budget requires Board approval and must be resubmitted to the Department at Empower-LA.Funding@LACity.org.

The annual budget can only be submitted using the standard format and categories and explain in reasonable detail the following:

- 100—Operating
- 200—Outreach
- 300—Community Improvements (CIP)
- 400—Neighborhood Purpose Grants (NPG)
- 500—Elections
- 900—Unallocated

The NC budget template and online submission is provided on the Department’s website.

Hi, I’m Ela. Did you know if your Neighborhood Council does not submit your annual budget on time, your NC’s funds could be frozen?
100—Operating Expenses

Operating expenses help the NC conduct their day to day operations.

These expenses can include: copies, internet service, storage, office rent, copier lease, translation services, temporary staff services, postage, audio and visual services, and office supplies.

200 —Outreach Activities

One of the major purposes of the Neighborhood Councils is to engage, serve, promote, and educate their communities. A well thought out Outreach Activities budget will help the Neighborhood Council engage its community. Some examples of Outreach events include CERT Trainings, Senior Symposia, safety fairs, disaster awareness and preparedness, Alliance Event participation.

These expenses can include: advertising, community events, outreach events, board / committee meetings, newsletters, website maintenance.

300—Community Improvement Projects (CIP)

A Neighborhood Council can allocate a portion of their annual budget to make improvements to its community provided the improvement is made within it Council boundary and on public property.

These expenses can include: alley cleanups, median improvements, tree trimming, graffiti removal, and mural restoration.
400—Neighborhood Purpose

Grants (NPGs)

NPGs are grants awarded by the Neighborhood Council to qualifying local non-profits and public schools. Grant purposes should provide a benefit to the community.

Examples of NPGs include: Books for the local library, Shakespeare in the Park,

500—Elections

Another central purpose of the Neighborhood Councils is to engage their communities and get them involved with the City through elections.

Election expenses can include: advertising, community events, outreach events, social media strategies, banners, etc.

900—Unallocated

Although mostly discouraged, some Neighborhood Councils may decide to leave a portion of their budget unallocated as a contingency to address new projects or issues that arise throughout the fiscal year. An example might be to address an unpredicted weather event that caused damage to a public space. NC’s can allocate funds to restore the space using previously unallocated funds.
Funding Your Neighborhood Council Checking Account

The checking account is automatically funded on a quarterly basis with up to $9,250, which is replenished for up to two full quarters of funding (maximum $18,500). The quarterly amount is determined by the maximum annual funding as determined by the City of Los Angeles (currently $37,000). The checking account itself must maintain a balance of at least $1,000, and should not go below that threshold. A bank fee will be accessed if the account balance goes below the threshold.

Additional funds can be requested during the month as needed by submitting a Cash Request Form (CRF) and/or Funding Request Form (FRF) to the Department. A CRF is completed and signed by the Treasurer and 2nd Signer, does not require formal board action, should be based on your approved budget, and is submitted to the Department for processing and transfer of funds (total around 3-5 business days).

Online Bill Pay

You can use your Neighborhood Council Checking account for online bill payments including issuing checks. Treasurer will log into the Union Bank website and issue payments approved by the Board. As long as the funds are available Union Bank will generate the check, and a physical check will be mailed out to the payee (5-7 business days).

Some payments must be pre-approved by the Department before the Treasurer can issue a payment: Regardless of cost, all Neighborhood Purpose Grants (NPG’s), Community Improvement Projects (CIP’s), Contracts, Leases, and any NC sponsored or co-sponsored outreach events. In addition, any other expenses over $2,500 that do not fall into these categories must also be pre-approved.
Use Of The Bank Card

The cardholder of the NC Checking Account bank card is responsible for its security. Bank card usage should be limited to incidental use only, where an online check payment would not be feasible. To avoid possible fees for paying with the bank card, always ask the vendor for any available payment options. The bank card is a charge and not a debit card. The cardholder is responsible for collecting and submitting all original receipts to the Treasurer for the monthly reconciliation. The following uses of the charge card are strictly forbidden under any circumstances: ATM cash withdrawals, cash-back requests, donations of money or goods to individuals or groups (which also includes tips), purchases of gift cards, alcohol, tobacco, firearms, or adult entertainment products, use of the charge card at any gambling facility, casino, or for any gambling purposes be it online or in person. The Department will immediately revoke the cardholder’s charge card if any of the above uses are identified.

Bank Card Exemption

The maximum daily amount for incidentals is $2,500.00. Any requests for increases above the daily amount must be submitted and authorized by the Department. To request an increase a Funding Request Form (FRF) needs to be submitted to the Department indicating the exemption request. Once approved, the Department will notify you, and you will have a limited amount of time to make the transaction. Union Bank will only increase the transaction limit for the amount indicated on the bank card exemption form until midnight of the day it is processed.
Any party, including NC Board Members requesting funds from the Neighborhood Council must complete a Funding Request Form.

**The Funding Request Process Flowchart**

1. **Department Receives Funding Request (FRF)**
2. FRF entered into database as "Received"
3. Staff reviews FRF for required information/documentation
4. Incomplete
   - Staff returns FRF request to NC
5. Complete
   - Signer issues payment
   - Staff processes and approves FRF. Email NC Treasurer with Approval Code

**ALL** expenditures require Board approval prior to payment and should be identifiable under one of the approved budget categories. Recurring/monthly operational expenses can be approved only once, indicating the amount and timeframe.

The following must be Board approved per request and submitted to the Department for review and authorization: Neighborhood Purpose Grants, Community Improvement Projects, Contracts/Leases, NC-Sponsored / Co-Sponsored Events (should be submitted at least 30 days prior to event), and any other expenditures over $2,500.00.

**DO NOT** commit funds without Board Approval.
Use an FRF whenever the Neighborhood Council is approving an expenditure. There should be a Funding Request Form in relation to every expense.
Prior to issuing payment for Board Approved expenditures, the following categories of requests must be submitted to the Department for review and an authorization code: Neighborhood Purpose Grants (NPGs), Community Improvement Projects (CIPs), Contracts, Leases, Neighborhood Council sponsored or co-sponsored events, and any expenditures over $2,500.00, regardless of their category.

**ANY VENDOR (over $2500):** 1) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC

**NPG for 501c3 NON-PROFIT:** 1) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from both Applicant and NC. 2) NPG Application – completed filled out by Applicant with 2 signatures (Required) and project budget. 3) IRS Determination Letter

**NPG for PUBLIC SCHOOL:** 1) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from both Applicant and NC. 2) NPG Application – completed filled out by Applicant with 2 signatures. 3) Letter requesting grant, amount and purpose on Official School Letterhead

**COMMUNITY IMPROVEMENT PROJECTS (CIPS):** 1) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC.

**BOARD MEMBER REIMBURSEMENT (over $2500 only):** 1) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC. 2) Copies of Receipts. 3) Proof of payments (i.e. cancelled checks or bank statement)

**NC SPONSORED/CO-SPONSORED EVENTS:** 1) Neighborhood Council Event Approval Form. 2) Funding Request Form – completely filled out and signed by Treasurer and 2nd Signatory with Community Benefit Statement from NC. 3) Itemized Detailed Event Budget for the NC. How will the NC use their funds?
A Board Vote Form is used to record the votes for the following: actions on Monthly Expenditure Reports (MERs), annual budget including any amendments, the appointment of funding officers, or any other non-funding related item. The Board Vote Form will track the Board voting results for each item (yes, no, abstain, absent, recuse, ineligible). If any board member is recusing indicate the name of the board member. The board member may not be a part of the voting item and must not be present in the room when the voting occurs. A completed Board Vote Form must be submitted to the Department with the monthly expenditure report and any other request.
Neighborhood councils can award grants to 501(c)3 non-profits and public schools from their annual NC allocation of funds in the form of a check. NCs cannot donate items or services to an individual or organization. However, the NPG process allows the NC to grant funds to an eligible organization when the award will result in a public benefit. The grantee will need to complete the NPG application and provide the required documentation. The Neighborhood Council must evaluate and approve grant requests in public meetings, and make a finding of public benefit (Community Benefit Statement).

**Requirements**

Neighborhood Councils must be in good financial standing to participate in the NPG program. To be considered in good financial standing, NCs must comply with the following:

- Current fiscal year budget and board vote form on file with the Department.
- Current Monthly Expenditure Reports
- Inventory report up to date

All NPGs must be submitted to the Department for review and approval prior to issuing a check from the NC Checking Account. NPGs that award more than $5,000 to an applicant require a City contract which must be coordinated with the Department and signed by the General Manager. In addition, NPGs that award more than $20,000 must be approved by the Board of Neighborhood Commissioners prior to issuing a payment.

Please note that all conflict of interest laws apply to the awarding of NPGs. Any Board Member who has a relationship with the requesting School or Organization must consult the Office of The City Attorney before the item is heard and voted on by the Board. If you have a conflict of interest, do not sign the NPG. Do not present the NPG, and before the item is heard at a board meeting, stand up, announce that you have a conflict, and then recuse yourself entirely by leaving the room for the discussion and vote of the item!
Community Improvement Projects include costs associated with beautification projects such as tree plantings, graffiti abatement, sidewalk washing, median maintenance; and capital improvements to City owned facilities such as recreation centers, fire stations, police stations and parks. Many of these activities may require permits, insurance or agreements between multiple parties. Therefore, all Community Improvement Projects must be submitted to the Department for review and approval PRIOR to project commencing and issuance of payment from the NC Checking Account.

A Neighborhood Council Event can be considered anything from an event where an NC purchases a booth, or pays to have their name on a flyer or banner, to an event where the NC is the main sponsor or co-sponsor, paying for the venue, the refreshments, entertainment, speakers, etc. The Department’s threshold to understanding when an NC must request pre-approval using an FRF can be determined by asking yourself this question: If the NC does not contribute to this event, will it still continue? If the answer is yes, the NC is not considered a sponsor or a co-sponsor of the event, and no pre-approval is required. If the answer is NO, the NC is considered a sponsor or co-sponsor, and must submit an FRF, and NC Event Approval Form to the Department.

Once the required documents are submitted to the Department, staff will review and determine whether additional permits, insurance, or other agreements must be drafted and signed prior to the NC paying the various vendors for an event. The NC will then be responsible to secure the permits and insurance documents. Because this process can be prolonged based on the scope and expense involved, the Department asks that you submit your Event Approval Form and Funding Request Form package at least 30 days in advance, to ensure a successful event.
NEIGHBORHOOD COUNCIL EVENT APPROVAL FORM

Events are great opportunities for Neighborhood Councils to interact with their stakeholders. There are, however, liability and permitting issues that must be handled prior to the event. The Department of Neighborhood Empowerment must approve a Neighborhood Council sponsored event before any funding payments can be executed. Please complete and sign this form and submit to the Department at least 30 days before the day of the event. The Department will typically take 3-5 days to review and approve the event. Once approved, the Neighborhood Council can begin spending.

Neighborhood Council:

The Neighborhood Council is the ☐ Main Sponsor or ☐ Co-Sponsor for the event.

Main Sponsor:

Contact Person:

Phone:

Co-Sponsor (if applicable):

Contact Person:

Phone:

Event Information:

Type of Event (festival, movie night,?):

Date:

Time Frame:

Estimated number of attendees:

Event Budget:

Venue Name:

Venue Address:

Contact Person:

Phone:

Please note: If the location for the event is at City facilities, or parks, the location approval may be easier and at little or no cost. If the location for event is not a City facility, a formal contract may be needed and can take 30 days to complete.

Documents scanned and emailed to EmpowerLA.Funding@cityla.org for Department approval PRIOR to event:

☐ Neighborhood Council Event Approval Form – Completed and signed by Treasurer or Second Signatory

☐ Funding Request Form – Completed and signed by Treasurer and Second Signatory

☐ Itemized Detailed Event Budget – Total budget with funding categories (food, entertainment, flyers, permits, etc.) and
with specific vendors if available. Once approved, the Department will transfer the amount of the event budget into the
Neighborhood Council account automatically, i.e. no additional Cash Request Form will be required.

☐ If a bank card exemption of the daily $2,500 limit is required for this event, please provide the date(s) and amount
needed for the daily limit to be lifted.

Please note: Missing or incomplete required documents will delay Department approval.

Revision 05/25/16
Contracting authority is delegated by the City of Los Angeles to the General Manager of the Department of Neighborhood Empowerment. As such, neither NCs nor their individual Board Members have the legal authority to enter into any sort of contract, lease, or binding agreement with a vendor.

But when is a contract required? Contracts are required for any Neighborhood Purposes Grants (NPGs) awarding more than $5,000 to a non-profit or public school. Contracts are also required when paying a vendor for personal services over an extended period of time (regardless of the dollar amount). The most common contract examples are for temporary staffing, translations, and web services. Because these are so common, the Department has created contracts that NC’s can use to access these services without having to coordinate individual contracts.

Another common contract is a lease for NC office or meeting space. There are significant legal issues to consider before signing a lease for a space, including compliance with ADA accessibility guidelines.

**So What’s an NC to Do?**

Contact the Department to assist you in coordinating all contracts and leases. These take time so you want to make sure you provide at least 30-45 days advanced notice to the Department. Submit a Funding Request Form, vendor invoice if available, and a scope of services (i.e. a bullet list of what services your NC is going to pay for).

The Neighborhood Council Funding Program, enables Neighborhood Councils to use City funds for purchasing office furniture and equipment, among other items. Neighborhood Councils using City funds to purchase items that qualify as inventory under the City’s inventory policy must track those items. Inventory as defined per City policy is:

- Any item with an acquisition or assigned value of at least $1,000.00 and an estimated useful life of at least three years.
- Any computer hardware, including desktop or laptop computer(s), regardless of cost.
- Any digital cameras, regardless of cost.
- Any electric or electronic office and communications equipment, such as printers and copying machines, regardless of cost.

Each NC shall maintain a list of its inventory and affix an inventory tag with a unique number (e.g. WANC10-001) for any item that falls under the City’s inventory policy as stated above. Each NC must also submit its inventory list to the Department along with their annual budget submission.
Unacceptable Purchases

The following are prohibited:

- Any purchases made without the approval of the Neighborhood Council governing body, and any purchases that are not identified in the NC approved budget.

- Payment for services over an extended period of time that may require a personal services agreement executed by the Department. Treasurers should consult with the Department prior to using the Bank card for this purpose.

- Split charges - using multiple transactions for a single charge to circumvent the maximum single transaction amount allowed on the bankcard.

- Items or services from an entity that did not participate in a fair and open selection process.

- Donations of money or goods to individuals or groups. State law prohibits public funds from being given as a gift.

- Any purchases and/or community improvement projects that increase the value of private property or do not benefit the general public.

- Events or projects that do not have the required insurance and permits. Liability is always an important consideration with any project. Please contact the Department for further information.

- Third party reimbursement. Payments should be in the form of a Funding Request for a particular vendor, not to a third party who will then pay the vendor.

- If they are not on the NC Board they will not get reimbursed.

- Purchases of gift cards, money orders/cashiers check, alcohol, tobacco, firearms, or adult entertainment products.

- Purchases that violate the constitutional separation of church and state (City funds cannot be used to endorse religion and/or interfere with free religious exercise)

- Purchases that violate City and/or State conflict of interest laws

- Supporting or opposing ballot measures or candidates, and political forums or debates unless following City Attorney guidelines

- Lawsuits against the City or City agencies, and appeals against any discretionary decisions made by any City agency

- NCs are not allowed to use PayPal to pay for purchases

The Department will immediately revoke the Signer’s bank card if any of the above uses are identified.
The monthly expenditure report is an accounting log of expenditures for the prior month, as well as a statement to identify bank balances and budget allocations. The Department requires the report to ensure appropriate use of Public Funds. The deadline for submission is 10 business days after the Neighborhood Council’s regular monthly board meeting for the previous month’s expenses (e.g. July’s MER is due 10 days after the NC’s August Board Meeting). The Monthly Expenditure Report must be approved by the Board and signed by the Treasurer and Authorized Signer, and must include all supporting documentation. It is the responsibility of the Treasurer and Second Signer to gather all supporting documents such as receipts, flyers, Funding Request Forms, Board Vote Count Forms, Neighborhood Purpose Grants, and W-9s. The funding staff will receive and review the Monthly Expenditure Report for approval. If we have questions, concerns, or require additional documentation, we will contact the Neighborhood Council.

If there is a questionable purchase the Department may take the following progressive steps:

- Contact the Treasurer regarding questions
- Request approved NC minutes
- Send a Formal Letter to the Board
- Freeze funds until questions have been sufficiently addressed

What if we need HELP completing the MERs?

The Department has trained several temporary staff persons to assist with the completion of the Monthly Expenditure reports. If you need assistance, please contact the Department to get a list of available staff that can assist through a contracted temporary staffing agency. You will be billed directly for their services by the agency.

In some cases, if your NC has fallen behind with submission of your MERs to the Department, you will be notified that the Department is appointing a temporary staff person to assist you. In such circumstances, your NC will be responsible for these charges as well.
### Monthly Expenditure Report

**NC Name:**

### ADDITIONAL EXPENDITURES BY LINE ITEM (Optional; do not print page 3 unless you use it)

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**MONTHLY CASH RECONCILIATION**

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<th>Budget</th>
<th>Adopted Budget</th>
<th>Total Available (C) = (A+B)</th>
<th>Cash Spent this Month (D)</th>
<th>Remaining Balance (E) = (C - D)</th>
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<tr>
<th>Monthly Budgetary Analysis</th>
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<tbody>
<tr>
<td>Category Identifier</td>
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<tr>
<td>400</td>
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<tr>
<td>500</td>
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<tr>
<td>900</td>
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</tbody>
</table>

**Department of Neighborhood Empowerment**

**Reporting Month:**

**NC Name:**

**Budget Fiscal Year:** 2015-2016

**FILL IN ALL THE UNSHADED (WHITE) FIELDS (if not committed to the actual, use 10 days of payments with documentation and hard copy**

### ACCORDING TO BOARD SHOULD be agregating and approving one MFR every Single Month!
Progressive Enforcement and Conflicts of Interest

If there is a questionable purchase the Department may take the following progressive steps:

1. Contact the Treasurer regarding questions
2. Request approved NC minutes or supporting documentation
3. Issue a STOP payment on an unauthorized expense
4. Send a Formal Letter to the Board
5. Freeze Funds until questions have been sufficiently addressed
6. In extreme cases, revoke the Treasurer or 2nd Signer’s access to the checking account.
7. Refer the matter to the City Attorney for legal enforcement.

WARNING: If the Department identifies a suspected misuse of funds, funds may be frozen preemptively to avoid further misuse of public funds.

**Why would you freeze our funds?**

NC Funds may be frozen when there is no Treasurer or 2nd Signer in place.

Your Funds may be frozen if you are missing three or more MERs.

While your funds are frozen, the Department will only pay operational expenditures on behalf of the NC. Treasurer / President are responsible to submit monthly invoices to the Department to ensure continuation of services to your NC.

**Conflicts of Interest**

Board members of Neighborhood Councils who are given governmental decision-making authority, must be mindful of the following conflict of interest laws: The Political Reform Act of 1974, as amended (Government Code § 81000, et seq.), Government Code § 1090 et seq, and the common-law conflict of interest rules. Because of the enactment of Ordinance No. 176477, Neighborhood Councils are not required to have a conflict of interest code, are not required to fill out the state (Form 700) disclosure statement and no longer are subject to the City’s Governmental Ethics Ordinance (Los Angeles Municipal Code § 49.5.1 et seq.) However, compliance with state and common law conflict of interest laws is still required.

Political Reform Act states that no public official shall make, participate in making or in any way use his or her official position to influence a governmental decision in which the official has a material financial interest.

If an official has a conflict of interests, the official will be disqualified from acting (presenting, discussing, voting) on the matter.

You must recuse yourself entirely from the funding decision, including any discussion leading up to a vote.

When in doubt . . . contact the Department or Office of the City Attorney.
If you still have questions regarding how to complete forms or what documents are necessary, contact the Neighborhood Council Funding Division at:

(213) 978-1551

Or

EmpowerLA.Funding@LACity.org