Grant contract between the Metropolitan Government of Nashville and Davidson County and the Branch of Nashville., Contract #\_\_\_\_\_ October 2, 2025

### GRANT CONTRACT BETWEEN THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY AND The Branch of Nashville

This Grant Contract, issued and entered into by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and The Branch of Nashville ("Recipient"), is for the provision of leveled English as a second language (ESL) classes, as further defined in the "SCOPE OF PROGRAM". The Recipient's annual report and audit are incorporated herein by reference.

### A. **SCOPE OF PROGRAM**:

- A.1. The Recipient will use the funds to:
  - (a). Provide leveled English as a second language classes at select branch locations. This support should include the following:
    - 1. The Branch of Nashville will offer four English classes each year for NPL, with the capacity to accommodate 25 students per semester. Classes will meet twice a week for 1.5-hour sessions.
    - 2. The core curriculum will be Cambridge University Press's Ventures, supplemented with Elli materials.
    - 3. The program's objective is to enhance students' English proficiency in listening, speaking, reading, and writing. This training will empower them to become self-sufficient. Students will develop essential skills for participating in parent-teacher conferences, navigating job searches and interviews, conducting transactions at banks, and shopping for everyday necessities.
    - 4. At the end of the spring semester, 90% of students will demonstrate mastery of curriculum goals and objectives.
- A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, Plan and Grant Spending Plan Narrative, attached and incorporated herein as Attachment 1 and 2. The Recipient must collect data to evaluate the effectiveness of their services and must provide those results to Metro upon request.
- A.3. The Recipient will only utilize these funds for services the Recipient provides to documented residents of Davidson County. Documentation of residency may be established with a recent utility bill; voter's registration card; driver's license or other government issued-ID; current record from a school showing address; affidavit by landlord; or affidavit by a nonprofit treatment, shelter, half-way house, or homeless assistance entity located within Davidson County. Recipient agrees that it will not use Metro funding for services to non-Davidson County residents.
- A.4. Additionally, the Recipient must collect data on the primary county of residence of the clients it serves and provide that data to Metro upon request.

### B. **GRANT CONTRACT TERM**:

B.1. **Grant Contract Term.** The term of this Grant will be twenty (20) months and nine days, commencing on October 23, 2025 and ending on June 30, 2027. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

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### C. PAYMENT TERMS AND CONDITIONS:

C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed one hundred and twenty thousand dollars (\$120,000) The Grant Spending Plan will constitute the maximum amount to be provided to the Recipient by Metro for all of the Recipient's obligations hereunder. The Grant Spending Plan line items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Recipient.

Subject to modification and amendments as provided in section D.2 of this agreement, this amount will constitute the Grant Amount and the entire compensation to be provided to the Recipient by Metro.

C.2. **Payment Methodology.** The Recipient will only be compensated for actual costs based upon the Grant Spending Plan, not to exceed the maximum liability established in Section C.1.

Upon progress toward the completion of the work, as described in Section A of this Grant Contract, the Recipient shall submit invoices and any supporting documentation as requested by Metro to demonstrate that the funds have been used as required by this Grant. Such invoices shall be submitted no more often than monthly and indicate at a minimum the amount charged by the Spending Plan line-item for the period invoiced, the amount charged by line-item to date, the total amount charged for the period invoiced, and the total amount charged under this Grant Contract to date.

Recipient must send all invoices to **Metro Payment Services**, **PO Box 196301**, **Nashville TN 37219-6301**.

Final invoices for the contract period should be received by Metro Payment Services by July 15, 2027. Any invoice not received by the deadline date will not be processed and all remaining grant funds will expire.

- C.3. **Annual Expenditure Report.** The Recipient must submit a final grant <u>Annual Expenditure</u>

  <u>Report,</u> to be received by Nashville Public Library, within 45 days of the end of the Grant

  Contract. Said report must be in form and substance acceptable to Metro and must be prepared by a Certified Public Accounting Firm or the Chief Financial Officer of the Recipient Organization.
- C.4. **Payment of Invoice.** The payment of any invoice by Metro will not prejudice Metro's right to object to the invoice or any other related matter. Any payment by Metro will neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the costs included therein.
- C.5. **Unallowable Costs.** The Recipient's invoice may be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by Metro, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs. Utilization of Metro funding for services to non-Davidson County residents is not allowed.
- C.6. **Deductions.** Metro reserves the right to adjust any amounts which are or become due and payable to the Recipient by Metro under this or any Contract by deducting any amounts which are or become due and payable to Metro by the Recipient under this or any Contract.
- C.7. **Travel Compensation.** Payment to the Recipient for travel, meals, or lodging is subject to amounts and limitations specified in Metro's Travel Regulations and subject to the Grant Spending Plan.

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- C.8. **Electronic Payment**. Metro requires as a condition of this contract that the Recipient have on file with Metro a completed and signed "ACH Form for Electronic Payment". If Recipient has not previously submitted the form to Metro or if Recipient's information has changed, Recipient will have thirty (30) days to complete, sign, and return the form. Thereafter, all payments to the Recipient, under this or any other contract the Recipient has with Metro, must be made electronically.
- D. STANDARD TERMS AND CONDITIONS:
- D.1. **Required Approvals.** Metro is not bound by this Grant Contract until it is approved by the appropriate Metro representatives as indicated on the signature page of this Grant.
- D.2. **Modification and Amendment.** This Grant Contract may be modified only by a written amendment that has been approved in accordance with all Metro procedures and by appropriate legislation of the Metropolitan Council.
- D.3. **Termination for Cause.** Metro shall have the right to terminate this Grant Contract immediately if Metro determines that Recipient, its employees or principals have engaged in conduct or violated any federal, state or local laws which affect the ability of Recipient to effectively provide services under this Grant Contract. Should the Recipient fail to properly perform its obligations under this Grant Contract or if the Recipient violates any terms of this Grant Contract, Metro will have the right to immediately terminate the Grant Contract and the Recipient must return to Metro any and all grant monies for services or programs under the grant not performed as of the termination date. The Recipient must also return to Metro any and all funds expended for purposes contrary to the terms of the Grant Contract. Such termination will not relieve the Recipient of any liability to Metro for damages sustained by virtue of any breach by the Recipient.
- D.4. **Termination Notice.** Metro may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the Recipient. Metro shall give the Recipient at least ninety (90) days written notice before the effective termination date.
- D.5. Termination Funding. This Grant Contract is subject to the appropriation and availability of local, State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, Metro shall have the right to terminate this Grant Contract immediately upon written notice to the Recipient. Upon receipt of the written notice, the Recipient shall cease all work associated with this Grant Contract on or before the effective termination date specified in the written notice. Should such an event occur, the Recipient shall be entitled to compensation for all satisfactory and authorized services completed as of the effective termination date. The Recipient shall be responsible for repayment of any funds already received in excess of satisfactory and authorized services completed as of the effective termination date.
- D.6. **Subcontracting.** The Recipient may not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of Metro. Notwithstanding any use of approved subcontractors, the Recipient will be considered the prime Recipient and will be responsible for all work performed.
- D.7. **Conflicts of Interest.** The Recipient warrants that no part of the total Grant Amount will be paid directly or indirectly to an employee or official of Metro as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Recipient in connection with any work contemplated or performed relative to this Grant Contract.
- D.8. **Nondiscrimination.** The Recipient hereby agrees, warrants, and assures that no person will be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Recipient on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification

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which is in violation of applicable laws. The Recipient must, upon request, show proof of such nondiscrimination and must post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.9. **Records.** The Recipient must maintain documentation for all charges to Metro under this Grant Contract. The books, records, and documents of the Recipient, insofar as they relate to work performed or money received under this Grant Contract, must be maintained for a period of three (3) full years from the date of the final payment or until the Recipient engages a licensed independent public accountant to perform an audit of its activities. The books, records, and documents of the Recipient insofar as they relate to work performed or money received under this Grant Contract are subject to audit at any reasonable time and upon reasonable notice by Metro or its duly appointed representatives. Records must be maintained in accordance with the standards outlined in the Metro Grants Manual. The financial statements must be prepared in accordance with generally accepted accounting principles.
- D.10. **Monitoring.** The Recipient's activities conducted and records maintained pursuant to this Grant Contract are subject to monitoring and evaluation by The Metropolitan Office of Financial Accountability or Metro's duly appointed representatives. The Recipient must make all audit, accounting, or financial records, notes, and other documents pertinent to this grant available for review by the Metropolitan Office of Financial Accountability, Internal Audit or Metro's representatives, upon request, during normal working hours.
- D.11. Reporting. The Recipient must submit three <u>Interim Program Reports</u>, to be received by Nashville Public Library, by no later than February 17, 2026, August 17,2026, and <u>February 17, 2027</u>. Other required reporting- A <u>Final Program Report</u> to be received by Nashville Public Library, within 45 [forty-five] days of the end of the Grant Contract. Said reports shall detail the outcome of the activities funded under this Grant Contract.
- D.12. **Strict Performance.** Failure by Metro to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement is not a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract is considered to be waived, modified, or deleted except by a written amendment by the appropriate parties as indicated on the signature page of this Grant.
- D.13. **Insurance.** The Recipient agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all applicable taxes incident to this Grant Contract.

### **D.13.1 Proof of Insurance**

During the term of this Contract, for any al all awards, CONTRACTOR shall, at its sole expense, obtain and maintain in full force and effect for the duration of this Contract, including any extension, the types and amounts of insurance identified below by a checked box. Proof of insurance shall be required naming METRO as additional insured and identifying the Purchase Order on the Acord document.

### **D.13.2 General Liability Insurance**

In the amount of one million (\$1,000,000.00) dollars

### **D.13.3 Automobile Liability Insurance**

In the amount of one million (\$1,000,000.00) dollars (if vendor will be making on-site deliveries)

### **D.13.4 Worker's Compensation Insurance**

with statutory limits required by the State of Tennessee or other applicable laws and Employer's Liability Insurance with limits of no less than one hundred thousand (\$100,000.00) dollars, as

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required by the laws of Tennessee (Not required for companies with fewer than five (5) employees).

### **D.13.5 Sexual Molestation and Abuse Insurance**

In the amount of one million (\$1,000,000.00) dollars.

### D.13.6 Such insurance shall:

Contain or be endorsed to contain a provision that includes METRO, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insureds.

For any claims related to this agreement, CONTRACTOR'S insurance coverage shall be primary insurance as respects METRO, its officers, officials, employees, and volunteers. Any insurance or self-insurance programs covering METRO, its officials, officers, employees, and volunteers shall be excess of CONTRACTOR'S insurance and shall not contribute with it.

Automotive Liability Insurance including vehicles owned, hired, and non-owned. Said insurance shall include coverage for loading and unloading hazards. Insurance shall contain or be endorsed to contain a provision that includes METRO, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of CONTRACTOR.

Worker's Compensation (if applicable), CONTRACTOR shall maintain workers' compensation insurance with statutory limits as required by the State of Tennessee or other applicable laws and employers' liability insurance. CONTRACTOR shall require each of its subcontractors to provide Workers' Compensation for all of the latter's employees to be engaged in such work unless such employees are covered by CONTRACTOR'S workers' compensation insurance coverage.

### D.13.7

Prior to commencement of services, CONTRACTOR shall furnish METRO with original certificates and amendatory endorsements effecting coverage required by this section and provide that such insurance shall not be cancelled, allowed to expire, or be materially reduced in coverage except on 30 days' prior written notice to:

DEPARTMENT OF LAW
INSURANCE AND RISK MANAGEMENT
METROPOLITAN COURTHOUSE, SUITE 108
PO BOX 196300
NASHVILLE, TN 37219-6300

Provide certified copies of endorsements and policies if requested by METRO in lieu of or in addition to certificates of insurance.

Replace certificates, policies, and/or endorsements for any such insurance expiring prior to completion of services. Maintain such insurance from the time services commence until services are completed and attach the certificates of insurance in the METRO system. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by METRO as a material breach of contract.

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Place such insurance with insurer licensed to business in Tennessee and having A.M. Best Company ratings of no less than A-. Modification of this standard may be considered upon appeal to the METRO Director of Risk Management Services.

Require all subcontractors to maintain during the term of the agreement Commercial General Liability insurance, Business Automobile Liability insurance, and Worker's Compensation/Employers Liability insurance (unless subcontractor's employees are covered by CONTRACTOR'S insurance) in the same manner as specified for CONTRACTOR. CONTRACTOR shall file subcontractor's certificates of insurance in METRO's system.

Any deductibles and/or self-insured retentions greater than \$10,000.00 must be disclosed to and approved by METRO prior to the commencement of services.

If the CONTRACTOR has or obtains primary or excess policy(ies), there shall be no gap between the limits of the primary policy and the deductible features of the excess policies.

- D.14. Metro Liability. Metro will have no liability except as specifically provided in this Grant Contract.
- D. 15. **Independent Contractor.** Nothing herein will in any way be construed or intended to create a partnership or joint venture between the Recipient and Metro or to create the relationship of principal and agent between or among the Recipient and Metro. The Recipient must not hold itself out in a manner contrary to the terms of this paragraph. Metro will not become liable for any representation, act, or omission of any other party contrary to the terms of this paragraph.

### D. 16. Indemnification and Hold Harmless.

- (a) Recipient agrees to indemnify, defend, and hold harmless Metro, its officers, agents and employees from any claims, damages, penalties, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of Recipient, its officers, employees and/or agents, including its sub or independent contractors, in connection with the performance of the contract, and any claims, damages, penalties, costs and attorney fees arising from any failure of Recipient, its officers, employees and/or agents, including its sub or independent contractors, to observe applicable laws, including, but not limited to, labor laws and minimum wage laws.
- (b) Metro will not indemnify, defend or hold harmless in any fashion the Recipient from any claims, regardless of any language in any attachment or other document that the Recipient may provide.
- (c) Recipient will pay Metro any expenses incurred as a result of Recipient's failure to fulfill any obligation in a professional and timely manner under this Contract.
- (d) Recipient's duties under this section will survive the termination or expiration of the grant.
- D.17 **Force Majeure.** "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party. Except as provided in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a breach under this Grant Contract. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. Recipient will promptly notify

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Metro within forty-eight (48) hours of any delay caused by a Force Majeure Event and will describe in reasonable detail the nature of the Force Majeure Event.

- D.18. **State, Local and Federal Compliance.** The Recipient agrees to comply with all applicable federal, state and local laws and regulations in the performance of this Grant Contract. Metro shall have the right to terminate this Grant Contract at any time for failure of Recipient to comply with applicable federal, state or local laws in connection with the performance of services under this Grant Contract.
- D.19. **Governing Law and Venue.** The validity, construction and effect of this Grant Contract and any and all extensions and/or modifications thereof will be governed by and construed in accordance with the laws of the State of Tennessee. The venue for legal action concerning this Grant Contract will be in the courts of Davidson County, Tennessee.
- D.20. **Completeness.** This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.21. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.
- D.22. **Metro Interest in Equipment.** The Recipient will take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to Metro's equitable interest therein, to the extent of its *pro rata* share, based upon Metro's contribution to the purchase price. "Equipment" is defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000.00.

The Recipient agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at any time during the term of the Grant Contract, the Recipient must request written approval from Metro for any proposed disposition of equipment purchased with Grant funds. All equipment must be disposed of in such a manner as parties may agree as appropriate and in accordance with any applicable federal, state or local laws or regulations.

- D. 23. Assignment—Consent Required. The provisions of this contract will inure to the benefit of and will be binding upon the respective successors and assignees of the parties hereto. Except for the rights of money due to Recipient under this contract, neither this contract nor any of the rights and obligations of Recipient hereunder may be assigned or transferred in whole or in part without the prior written consent of Metro. Any such assignment or transfer will not release Recipient from its obligations hereunder. Notice of assignment of any rights to money due to Recipient under this Contract must be sent to the attention of the Metro Department of Finance.
- D.24. **Gratuities and Kickbacks.** It will be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparations of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or

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subcontract or to any solicitation or proposal therefore. It will be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontract or order. Breach of the provisions of this paragraph is, in addition to a breach of this contract, a breach of ethical standards which may result in civil or criminal sanction and/or debarment or suspension from participation in Metropolitan Government contracts.

D.25. **Communications and Contacts.** All instructions, notices, consents, demands, or other communications from the Recipient required or contemplated by this Grant Contract must be in writing and must be made by facsimile transmission, or by first class mail, addressed to the respective party at the appropriate facsimile number or address as set forth below <u>or</u> to such other party, facsimile number, or address as may be hereafter specified by written notice.

For contract-related matters: Nashville Public Library Assistant Director of Administrative Services 615 Church Street Nashville, TN 37219 (615) 880-2614 phone For enquiries regarding invoices: Nashville Public Library Assistant Director of Administrative Services 615 Church Street Nashville, TN 37219 (615) 880-2614 phone

### Recipient

The Branch of Nashville Melissa K Thomas 41 Tusculum Road Antioch, TN 37013

- D.26. Lobbying. The Recipient certifies, to the best of its knowledge and belief, that:
  - a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Recipient must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - c. The Recipient will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all subcontractors of federally appropriated funds shall certify and disclose accordingly.

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- D.27. Certification Regarding Debarment and Convictions.
  - a. Recipient certifies that Recipient, and its current and future principals:
    - i. are not presently debarred, suspended, or proposed for debarment from participation in any federal or state grant program;
    - ii. have not within a three (3) year period preceding this Grant Contract been convicted of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) grant;
    - iii. have not within a three (3) year period preceding this Grant Contract been convicted of embezzlement, obstruction of justice, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
    - iv. are not presently indicted or otherwise criminally charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in sections D.25(a)(ii) and D.25(a)(iii) of this certification.
  - b. Recipient shall provide immediate written notice to Metro if at any time Recipient learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals fall under any of the prohibitions of Section D.25(a).
- D.28. **Effective Date.** This contract will not be binding upon the parties until it has been signed first by the Recipient and then by the authorized representatives of the Metropolitan Government and has been filed in the office of the Metropolitan Clerk. When it has been so signed and filed, this contract will be effective as of the date first written above.

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| nt contract between the Metropolitan Gover<br>nch of Nashville., Contract # Se   | nment of Nashville and Davidson County and the eptember 26, 2025   |
|--|--|
| THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:  Docusigned by:  Turn Like Department of Approved as to availability of Funds:  Approved as to availability of Funds:  | RECIPIENT: The Branch of Nashville By: Melisse  Title: CEO/President  Sworn to and subscribed to before me a Notary Public, this 2 day of Leptember , 2025  STATE  STATE |
| Juneur Kud/mjw  Diffettor of Finance  APPROVED AS TO RISK AND  | Notary Rubies DAVIOSO  |
| INSURANCE:  Docusigned by:  Balogun Cobb  Director of Insurance  |  |
| APPROVED AS TO FORM AND LEGALITY: Docusigned by: May Amos  |  |
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| Metropolitan Clerk   |  |

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### **ATTACHMENT 1**

SPENDING PLAN FY26/27

Name of Contractor: The Branch of Nashville

| ITEM<br># | ITEM  | Funds<br>Provided<br>via This<br>Contract | Other<br>Funding<br>Sources | TOTAL      |
|-----------|---|---|-----------------------------|------------|
| 1A        | Personnel-Staff Salaries                              | \$48,600                                  | \$0                         | \$0        |
| 1B        | Personnel-Staff Fringe Benefits (26%)                 | \$0                                       | \$0                         | \$0        |
| 2         | Staff Local Travel                                    | \$0                                       | \$0                         | \$0        |
| 3         | Occupancy-Rent, utilities, commercial insurance, etc. | \$0                                       | \$0                         | \$0        |
| 4         | Communications-Postage, phone, etc.                   | \$0                                       | \$0                         | \$0        |
| 5         | Materials, Supplies, Printing, & Copying              | \$16,200                                  | \$0                         | \$0        |
| 6         | Furniture, Office Equipment, Computers, etc.          | \$0                                       | \$0                         | \$0        |
| 7         | Student Programming-Direct Benefit, Testing           | \$11,700                                  | \$0                         | \$0        |
| 8         | Other Direct Benefits-food, etc.                      | \$4,500                                   | \$0                         | \$0        |
|           | Other Expenses - contracted services (IT) and         |   |                             |            |
| 9         | subscriptions (IT)                                    | \$0                                       | \$0                         | \$0        |
| 10        | Indirect/Admin  | \$39,000                                  | \$0                         | \$0        |
|           | TOTALS  | \$120,000                                 | \$0                         | <u>\$0</u> |

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### **ATTACHMENT 2**

### The Branch of Nashville SPENDING PLAN NARRATIVE FY26/27

### **Salaries and Wages**

• **ESL Instructors:** The Branch of Nashville's ESL instructors will assist during the grant period to facilitate classes. These instructors will teach ESL courses at the Beginning, Intermediate, and Advanced levels, following the schedule set by NPL's adult literacy team. This initiative aims to improve English language skills among adult learners in the community, addressing the current ESL waitlist in Davidson County.

**Total Salaries and Wages Requested: \$48,600** 

Total grant funds requested for programming materials, supplies, printing, and copying - \$16,200

**Student Programming and Direct Costs - \$11,700** 

Other Direct Benefits - \$4,500

Indirect / Administration - \$39,000

Total - \$120,000

### **36SCOPE OF WORK**

**Project Title:** Carnegie Foundation Grant to NPL - English Language Learning Classes The Branch of Nashville

Date: August 13, 2025

**Goal:** To address The Branch of Nashville's waiting list and the overwhelming demand for adult English Language Learning (ELL) classes in the Southeast Nashville community.

### Statement of Impact

The Branch of Nashville will conduct 4 English classes each year for NPL, accommodating up to 25 students per class. Our goal is to provide all students with improved English proficiency in the domains of listening, speaking, reading, and writing fluency, allowing them to become self-sufficient, support their families, and engage in their communities. It is crucial that these skills translate to specific life situations such as communicating with medical staff, participating in parent/teacher conferences, completing job searches and interviews, conducting business at banks, and shopping for necessities.

### • Class Breakdown:

- 2 Low Beginner classes
- 1 High Beginner class
- 1 Intermediate class
- Note: Levels can be adapted if needed, based on pre-testing results.
- Locations: Classes will be held at the Southeast Branch Library or other NPL approved location

### Schedule and Duration:

- Classes will meet twice a week for 1.5 hours per session.
- Classes will begin in September and continue through mid-May, generally correlating with the MNPS schedule.
- Semester 1: September 23 December 18, 2025
- Semester 2: January 6 May 19, 2025
- Summer Session: 6 weeks in June and July (dependent on student interest)
- **Semester 1**: August-December 2026
- Semester 2: January-May 2027
- Summer Session: 6 weeks in June and July 2027 (dependent on student interest)
- **Enrollment:** Open enrollment will be implemented. Once classes are full, they will be closed. Vacancies that arise throughout the year will be filled from the waiting list.
- Childcare: Childcare will not be offered, and children will not be able to attend classes.
- Curriculum:
  - The core curriculum will be *Cambridge University Press's Ventures*, supplemented with Elli materials.
  - Curriculum will cover reading, writing, listening, speaking, vocabulary, life skills, and college and career readiness.

- Students will receive two books: a student book and a workbook.
- Assessment Methods
- All students entering the program will take pre-assessment placement tests provided by our
  Ventures curriculum for initial placement. CASAS Steps will also be administered. Following each
  unit of study, students will demonstrate mastery of unit objectives by taking the
  curriculum-based, Cambridge Ventures, unit tests. These tests measure students' learning in the
  domains of listening, speaking, reading, and writing. At the end of the program year, students will
  take CASAS post-tests.

### **Measurable Results - Defining Success**

At the end of the spring semester, 90% of students will have demonstrated mastery of curriculum goals and objectives in the domains of listening, speaking, reading, and writing, by averaging 80% or above on unit tests.

90% of students will increase their pre-test scores to meet minimum requirements to move into the next level or demonstrate proficiency by scoring 80% or above on the final exam. 90% of students will increase their CASAS Steps score by a minimum of 3 scale points, and 70% will move up one CASAS educational functioning level.

All students will be able to do the following:

- 1) say the alphabet
- 2) write the alphabet
- 3)recite the numbers 1-50 or 1-100 (depending on level)
- 6) write the numbers 1-50 or 1-100 (depending on level)
- 7) complete a basic form
- 8) read a minimum of 20 words
- 9) write their first and last name
- 10) spell their name
- 11) say their phone number
- 12) say and write their address.

### **Budget:**

Curriculum & Materials: \$8100Testing (Pre and Post): \$5850

• Teacher Salary and Admin:: \$24,300

• Admin/Supervisor: \$19,500

• Refreshments: \$2250

**Total Estimated Cost:** \$60,000

### Tennessee Secretary of State Tre Hargett



Division of Business and Charitable Organizations 312 Rosa L. Parks Avenue, 6th Floor Nashville, Tennessee 37243-1102

June 30, 2025

MELANIE BAKER 41 TUSCULUM RD ANTIOCH, TN 37013 USA

**RE:** Registration to Solicit Funds for Charitable Purposes Organization Name: THE BRANCH OF NASHVILLE, INC.

CO Number: CO21859 Renewal Date: 06/30/2026

### Dear MELANIE BAKER:

Pursuant to the Tennessee Charitable Solicitations Act, T.C.A. § 48-101-501, et seq. the Tennessee Secretary of State has reviewed your application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

The organization must maintain statutory compliance by submitting a renewal application and required fees on an annual basis. At that time you may be required to submit tax filings, financial statements, proof of IRS status, and other documents related to your organization and its fundraising activities. You can find additional information and submit additional filings online at <a href="https://sos.tn.gov/charities">https://sos.tn.gov/charities</a>. The "CO" Number listed above will serve as your organization's charitable registration number and should be used when submitting any charitable filings or correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000.00) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett Secretary of State INTERNAL REVENUE SERVICE P. O. BOX 2508 CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 2 4 2014

THE BRANCH OF NASHVILLE INC C/O MELISSA K THOMAS 2620 UNA ANTIOCH ANTIOCH, TN 37013 Employer Identification Number: 46-3153789

DLN:

17053049318004 Contact Person:

CUSTOMER SERVICE

ID# 31954

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(vi)

Form 990 Required:

Yes

Effective Date of Exemption:

June 3, 2013

Contribution Deductibility:

Yes

Addendum Applies:

No

### Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,

Tamera Kipperda

Director, Exempt Organizations

Enclosure: Publication 4221-PC

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

<u>DECEMBER 31, 2024 AND 2023</u>

### FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

### <u>DECEMBER 31, 2024 AND 2023</u>

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### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors The Branch of Nashville, Inc. Antioch, Tennessee

### **OPINION**

We have audited the accompanying financial statements of The Branch of Nashville, Inc., a Tennessee nonprofit (the "Organization"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Branch of Nashville, Inc., as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **BASIS FOR OPINION**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

COLUMBIA 931-388-3711

610 North Garden Street, Suite 200 Columbia, TN 38401 Lebanon, TN 37087

LEBANON 615-449-2334 105 Bay Court

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Nashville, Tennessee June 26, 2025

Frazic PAS PLLC

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### STATEMENTS OF FINANCIAL POSITION

### DECEMBER 31, 2024 AND 2023

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|---|-----|------|----|
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| ASSE15                                |           |         |    |         |
|---------------------------------------|-----------|---------|----|---------|
|                                       |           | 2024    |    | 2023    |
| Cash                                  | \$        | 450,675 | \$ | 276,954 |
| Contributions receivable              |           | 89,915  |    | 59,044  |
| Inventory                             |           | 71,815  |    | 39,907  |
| Prepaid expenses                      |           | 10,948  |    | 10,109  |
| Property and equipment, net           |           | 74,443  |    | 83,218  |
| Operating lease, right-of-use assets  |           | 94,301  |    |         |
| TOTAL ASSETS                          | <u>\$</u> | 792,097 | \$ | 469,232 |
| <u>LIABILITIES AND NET ASSETS</u>     |           |         |    |         |
| LIABILITIES                           |           |         |    |         |
| Accounts payable and accrued expenses | \$        | 211     | \$ | 2,783   |
| Operating lease liability             |           | 94,301  | -  |         |
| TOTAL LIABILITIES                     |           | 94,512  |    | 2,783   |
| NET ASSETS                            |           |         |    |         |
| Without donor restrictions            |           | 648,999 |    | 412,311 |
| With donor restrictions               |           | 48,586  |    | 54,138  |
| TOTAL NET ASSETS                      |           | 697,585 |    | 466,449 |
| TOTAL LIABILITIES AND NET ASSETS      | \$        | 792,097 | \$ | 469,232 |

See accompanying notes to financial statements.

### STATEMENTS OF ACTIVITIES

# FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

|   |               | 2024          |           |               | 2023         |            |
|---|---------------|---------------|-----------|---------------|--------------|------------|
|   | Without Donor | With Donor    |           | Without Donor | With Donor   |            |
|   | Restrictions  | Restrictions  | Total     | Restrictions  | Restrictions | Total      |
| REVENUE AND SUPPORT                         |               |               |           |               |              |            |
| Contributions and foundation grants         | \$ 794,138    | \$ 123,706 \$ | 917,844   | \$ 460,443    | \$ 88,384    | \$ 548,827 |
| Donated food revenue                        | 2,297,837     | 1             | 2,297,837 | 1,937,740     | 1            | 1,937,740  |
| Other gifts in kind                         | 203,380       | 1             | 203,380   | 53,935        | 1            | 53,935     |
| Tuition revenue                             | 15,323        | 1             | 15,323    | 38,667        | 1            | 38,667     |
| Loss on disposal of equipment               | 1             | ı             | ı         | (1,063)       | 1            | (1,063)    |
| Miscellaneous                               | 23            | 1             | 23        | 6,910         | •            | 6,910      |
| Net assets released from restrictions       | 129,258       | (129,258)     | 1         | 166,494       | (166,494)    | •          |
| TOTAL SUPPORT AND REVENUE                   | 3,439,959     | (5,552)       | 3,434,407 | 2,663,126     | (78,110)     | 2,585,016  |
| EXPENSES                                    |               |               |           |               |              |            |
| Program services                            | 2,952,752     | ı             | 2,952,752 | 2,488,497     | 1            | 2,488,497  |
| Supporting services: Management and general | 204,651       | •             | 204,651   | 143,143       | 1            | 143,143    |
| Fundraising                                 | 45,868        |               | 45,868    | 95,321        | 1            | 95,321     |
| TOTAL EXPENSES                              | 3,203,271     |               | 3,203,271 | 2,726,961     |              | 2,726,961  |
| CHANGE IN NET ASSETS                        | 236,688       | (5,552)       | 231,136   | (63,835)      | (78,110)     | (141,945)  |
| NET ASSETS - BEGINNING OF YEAR              | 412,311       | 54,138        | 466,449   | 476,146       | 132,248      | 608,394    |
| NET ASSETS - END OF YEAR                    | \$ 648,999    | \$ 48,586 \$  | 697,585   | \$ 412,311    | \$ 54,138    | \$ 466,449 |

See accompanying notes to financial statements.

### STATEMENTS OF CASH FLOWS

### FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

|   |           | 2024     | 2023                |
|---|-----------|----------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES                      |           |          |                     |
| Change in net assets                                      | \$        | 231,136  | <u>\$ (141,945)</u> |
| Adjustments to reconcile change in net assets to net cash |           |          |                     |
| provided by (used in) operating activities                |           |          |                     |
| Depreciation  |           | 10,275   | 9,296               |
| Donated property and equipment                            |           | (1,500)  | (1,150)             |
| Loss on disposal of equipment                             |           | -        | 1,063               |
| (Increase) decrease in:                                   |           |          |                     |
| Contributions receivable                                  |           | (30,871) | (27,044)            |
| Inventory   |           | (31,908) | 20,539              |
| Prepaid expenses  |           | (839)    | (7,129)             |
| Operating lease, right-of-use assets                      |           | 45,949   | -                   |
| Increase (decrease) in:                                   |           |          |                     |
| Accounts payable and accrued expenses                     |           | (2,572)  | 2,783               |
| Operating lease liability                                 |           | (45,949) |                     |
| TOTAL ADJUSTMENTS   |           | (57,415) | (1,642)             |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES       |           | 173,721  | (143,587)           |
| CASH FLOWS FROM INVESTING ACTIVITIES                      |           |          |                     |
| Purchase of property and equipment                        |           | <u>-</u> | (10,484)            |
| NET CASH USED IN INVESTING ACTIVITIES                     |           | <u>-</u> | (10,484)            |
|   |           |          |                     |
| NET CHANGE IN CASH  |           | 173,721  | (154,071)           |
| CASH - BEGINNING OF YEAR                                  |           | 276,954  | 431,025             |
| CASH - END OF YEAR  | <u>\$</u> | 450,675  | \$ 276,954          |
| NONCASH INVESTING AND FINANCING ACTIVITY:                 |           |          |                     |
| Right-of-use asset acquired with lease liability          | \$        | 140,250  | \$ -                |

See accompanying notes to financial statements.

# STATEMENT OF FUNCTIONAL EXPENSES

# FOR THE YEAR ENDED DECEMBER 31, 2024

|                            |   |           |            | PI        | PROGRAM SERVICES | ES            |              | SUPPORTIN         | SUPPORTING SERVICES |         |           |
|----------------------------|---|-----------|------------|-----------|------------------|---------------|--------------|-------------------|---------------------|---------|-----------|
|                            |   | FOOD      | OLDER      |           | ESL              | COMPREHENSIVE |              | MANAGEMENT<br>AND |                     |         |           |
|                            | _ | PANTRY    | ADULT CARE | ப<br>     | CLASSES          | CARE          | TOTAL        | GENERAL           | FUNDRAISING         | ا<br>اچ | Total     |
| Salaries and wages         | ↔ | 97,675    | \$ 35,9    | 35,916 \$ | 83,938           | \$ 85,255     | \$ 302,784   | \$ 87,792         | \$ 28,893           | 893 \$  | 419,469   |
| Payroll taxes and benefits |   | 12,863    | 2,         | 2,788     | 12,834           | 7,369         | 35,854       | 19,013            | 2,3                 | 2,362   | 57,229    |
| SALARIES AND               |   |           |            |           |                  |               |              |                   |                     |         |           |
| RELATED EXPENSES           |   | 110,538   | 38,704     | 704       | 96,772           | 92,624        | 338,638      | 106,805           | 31,255              | 255     | 476,698   |
| Food distributed           |   | 2,274,874 | 4,(        | 4,068     | ı                | 1             | 2,278,942    | ı                 |                     | 1       | 2,278,942 |
| Delivery charges           |   | 33,165    | 4,:        | 4,589     | 1                | 1             | 37,754       | •                 |                     |         | 37,754    |
| Conferences and meetings   |   | 88        |            |           | •                | 807           | 895          | 1,772             |                     |         | 2,667     |
| Depreciation               |   | 1         |            |           | ı                | ı             | ı            | 10,275            |                     |         | 10,275    |
| Direct benefits to clients |   | 765       | •          | 707       | 50               | 8,889         | 10,411       | 1                 |                     |         | 10,411    |
| Event expenses             |   | ı         |            | 1         | 1                | ı             | 1            | 1                 | 6,5                 | 6,786   | 6,786     |
| Donated teaching services  |   | ı         |            | ,         | 138,996          | 1             | 138,996      | 1                 |                     |         | 138,996   |
| Facility costs             |   | 30,348    | 16,0       | 16,077    | 23,145           | 2,410         | 71,980       | 10,670            |                     | 952     | 83,602    |
| Insurance                  |   | 3,264     | 2,:        | 2,577     | 1,870            | 1,840         | 9,551        | 4,232             | 1,4                 | 1,448   | 15,231    |
| Office expenses            |   | 1,587     | 1,.        | 1,353     | 1,834            | 1,594         | 6,368        | 10,270            |                     | 1,159   | 17,797    |
| Outside services           |   | 132       |            | 54        | 12,060           | 12,886        | 25,132       | 51,571            |                     |         | 76,703    |
| Supplies                   |   | 6,581     | 1,8        | 1,812     | 18,418           | ı             | 26,811       | 1,834             | 2,4                 | 4,268   | 32,913    |
| Technology expenses        |   | 2,072     |            | 774       | 4,122            | 306           | 7,274        | 7,222             |                     | <br>    | 14,496    |
| TOTAL EXPENSES             | ↔ | 2,463,414 | \$ 70,7    | 70,715 \$ | 297,267          | \$ 121,356    | \$ 2,952,752 | \$ 204,651        | \$ 45,868           | \$ 898  | 3,203,271 |

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# STATEMENT OF FUNCTIONAL EXPENSES

# FOR THE YEAR ENDED DECEMBER 31, 2023

|                     | Total                        | 451,737 52,696                                   | 504,433                          | 1,975,138        | 35,943         | 1,458                    | 9,296        | 8,174                      | 9,653          | 74,904         | 1                   | 16,043          | 20,035           | 32,672   | 25,557              | 2,726,961      |
|---------------------|------------------------------|--|----------------------------------|------------------|----------------|--------------------------|--------------|----------------------------|----------------|----------------|---------------------|-----------------|------------------|----------|---------------------|----------------|
|                     |                              | <b>⇔</b>   |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     | S              |
| ERVICES             | FUNDRAISING                  | 71,506   | 81,960                           | •                | 1              | ı                        | 106          | ı                          | 9,653          | 917            |                     | ı               | 800              | 582      | 1                   | 95,321         |
| NG S                | F                            | <b>⇔</b>   |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     | 8              |
| SUPPORTING SERVICES | MANAGEMENT<br>AND<br>GENERAL | 83,014   | 94,800                           | ı                | 1              | 1,379                    | 787          | ı                          | ı              | 5,139          |                     | 8,098           | 19,085           | 70       | 11,781              | 143,143        |
|                     | MA                           | <del>\$</del>                                    |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     | S              |
|                     | TOTAL                        | 297,217  | 327,673                          | 1,975,138        | 35,943         | 79                       | 8,403        | 8,174                      | ı              | 68,848         | ı                   | 7,945           | 150              | 32,020   | 13,776              | 2,488,497      |
|                     |                              | <del>∽</del>                                     |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     | ↔              |
| PROGRAM SERVICES    | COMPREHENSIVE<br>CARE        | 52,317   | 56,324                           | 1                | 1              | 39                       | 1            | 1                          | 1              | 1              |                     | 296             | 1                | 4,080    | <u>687</u>          | 63,159         |
| AM S                | CON                          |  |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     |                |
| PROGR               | ESL                          | 94,484 \$  | 107,976                          |                  | ı              | •                        | 584          | 5,423                      | ı              | 10,460         |                     | 3,933           | 150              | 16,658   | 10,115              | 157,501 \$     |
|                     |                              | <del>∽</del>                                     |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          |                     | ↔              |
|                     | FOOD                         | 150,416  | 163,373                          | 1,975,138        | 35,943         | 40                       | 7,819        | 2,751                      | I              | 58,388         |                     | 3,045           | ı                | 11,282   | 2,974               | 2,267,837 \$   |
|                     | l                            | <del>⊗</del>                                     |                                  |                  |                |                          |              |                            |                |                |                     |                 |                  |          | ļ                   | <del>∞</del>   |
|                     |                              | Salaries and wages<br>Payroll taxes and benefits | SALARIES AND<br>RELATED EXPENSES | Food distributed | Delivery costs | Conferences and meetings | Depreciation | Direct benefits to clients | Event expenses | Facility costs | Other gifts in-kind | Office expenses | Outside services | Supplies | Technology expenses | TOTAL EXPENSES |

See accompanying notes to financial statements.

### NOTES TO FINANCIAL STATEMENTS

### DECEMBER 31, 2024 AND 2023

### NOTE 1 - GENERAL

The Branch of Nashville, Inc. (the "Organization") is a not-for-profit corporation organized in 2013 under the laws of the State of Tennessee, dedicated to nourishing, educating and equipping people in the southeast Nashville community through operating a food pantry, providing English language classes and assisting with referrals to other needed resources. The Organization is a partner agency of Second Harvest Food Bank of Middle Tennessee, a member of the Feeding America® network of food banks.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There are currently no donor restrictions that are perpetual in nature.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Revenue Recognition

Contributions and foundation grants are recognized when cash, securities or other assets, or an unconditional promise to give are received. A contribution is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of promisor's obligation to transfer assets exists. The presence of both a barrier and a right of return or right of release indicates that a recipient is not entitled to the contribution until it has overcome the barrier(s) in the agreement. Conditional promises to give are not recognized until the barrier(s) in the agreement are overcome.

An allowance for uncollectible contributions is provided based on management's estimate of uncollectible pledges and historical trends. Contributions receivable deemed to be uncollectible are charged off against the allowance in the period of determination. In management's opinion no allowance for uncollectible contributions is needed as of December 31, 2024 and 2023.

ESL tuition revenue is recognized in an amount expected to be received by the participant at the time classes take place.

### Contribution of Non-Financial Assets

Any gifts of equipment, facilities or materials are reported as net assets without donor restrictions unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as net assets with donor restrictions. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

The Organization receives significant contributions of donated food products which are used in its programs. Donated food received is valued at the Feeding America® rate for food-only donations (based on a study commissioned by Feeding America®), which is adjusted annually and amounted to \$1.57 per pound for 2024 and \$1.53 for 2023. Amounts presented in the financial statements are net of spoilage due to the perishable nature of the products received which are unable to be utilized in the Organization's programs.

Donated services are recognized if the services (a) create or enhance non-financial assets; or (b) require specialized skills, are performed by people with those skills and would have otherwise been purchased by the Organization. Other contributions of nonfinancial assets include delivery charges, reduced rental costs, supplies and ESL teaching services (in 2024) which are valued at the fair market value if purchased and used in the Organization's programs.

A substantial number of unpaid volunteers have contributed their time to the Organization's programs. The value of this contributed time is not reflected in these statements since it does not meet the criteria noted above.

### Inventory

Inventory consists of undistributed donated food pantry items and is valued based on the Feeding America ® rate for food-only donations.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Property and Equipment

Property and equipment are carried at cost at the date of purchase or, if donated, at the approximate fair value at the date of donation. The Organization's policy is to capitalize purchases with a cost of \$1,000 or more and an estimated useful life greater than one year. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

### Leases

The Organization made an accounting policy election available under Topic 842 not to recognize right-of-use ("ROU") assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Organization used the discount rate implicit in the lease agreement, if readily determinable. For leases in which the rate implicit in the lease agreement is not readily determinable, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

### Fair Value Measurements

The Organization classifies its assets measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available) and Level 3 (valued based on significant unobservable inputs).

An asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for assets measured at fair value on a recurring basis:

Donated food inventory - The value of donated food is based on poundage times a standard rate. The donated food rate is updated annually based on a study commissioned by Feeding America ®, which is classified as Level 2. The inputs used in the valuation include twenty-nine product types calculating a weighted-average value for the year based on actual donated pounds by type on a national level.

No changes in the valuation methodologies have been made since the prior year.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with that of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

### Program and Supporting Services

The following program and supporting services classifications are included in the accompanying financial statements:

### **Program Services:**

<u>Food Pantry</u> - Everyone needs help sometimes, and we are here to support families in their time of need. Each month, the Pantry provides fresh, nutritious food to over 1,400 families in the Greater Nashville area, giving them the peace of mind that comes from knowing there is food for their tables.

Older Adult Care Services - In 2023, Older Adult Care was considered a subset of those we served through the Food Pantry. Older adults receive food and the numbers are included in the Food Pantry numbers, but older adults receive additional care such as delivery, if needed, a dedicated phone number they can call, the ability to pick up food without an appointment, and referrals to other needed resources. Older adults received 37% of the food distributed in 2024.

English Language Program ("ESL") Nashville is home to newcomers from many countries. Transitioning to a new community is difficult, and the inability to communicate makes it even harder. Our ESL program teaches 250 adult learners per school year to speak and write competently in English so they can be confident when seeking employment, helping their children in school, and performing daily chores in their new homeland. Day and evening classes are held online and in person throughout the week.

Comprehensive Care - Over 1,400 people come to the Organization each month seeking food assistance. We help them with food, but a food box does not address the underlying reasons for food insecurity. It takes a new approach to finding the root causes and a solution to move people out of crises. Comprehensive Care is a pathway of support that empowers people to reach for goals that move them into sustainable well-being and holistic flourishing. Comprehensive Care equips volunteers to work alongside individuals and families, helping them to define goals, sharing resources, and encouraging them as they dream and work toward a better future for themselves and their families. In addition to one-to-one care, people are also able to get referral assistance to other organizations/services in Nashville.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Program and Supporting Services (continued)

### Supporting Services:

<u>Management and General</u> - relates to the overall direction of the organization. These expenses are not identifiable with a particular program or with fundraising but are indispensable to the conduct of those activities and are essential to the agency. Specific activities include agency oversight, business management, recordkeeping, budgeting, financing and other administrative activities.

<u>Fundraising</u> - includes costs of activities directed toward appeals for financial support. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

### Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Certain costs have been allocated among more than one activity based on objectively evaluated financial and nonfinancial data or reasonable subjective methods determined by management. The expenses that are allocated include salaries and related taxes and benefits, insurance and depreciation, which are allocated on the basis of estimates of time expended on those resources, and facility costs which are allocated based on use of space.

### **Income Taxes**

The Organization qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization files a U.S. Federal Form 990 for organizations exempt from income tax.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing the Organization's income tax return to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the "more likely than not" standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statements.

### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### **Events Occurring After Reporting Date**

The Organization has evaluated events and transactions that occurred between December 31, 2024 and June 26, 2025, the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

### **NOTE 3 - LIQUIDITY**

The following represents the Organization's financial assets available to meet general expenditures over the next twelve months at December 31:

|   | <br>2024      | 2023       |
|---|---------------|------------|
| Financial assets at year end:                           |               |            |
| Cash  | \$<br>450,675 | 276,954    |
| Contributions receivable                                | 89,915        | 59,044     |
| Less amounts not available to be used within one year:  |               |            |
| Designated by board for emergencies                     | (3,000)       | (3,000)    |
| Net assets with donor restrictions                      | <br>(48,586)  | (54,138)   |
| Financial assets available to meet general expenditures |               |            |
| over the next twelve months                             | \$<br>489,004 | \$ 278,860 |

### NOTE 4 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash, donated food revenue and contributions receivable.

The Organization maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. The Organization's cash balances may, at times, exceed statutory limits. The Organization has not experienced any losses in such accounts and management considers this to be a normal business risk.

The Organization received approximately 25% and 28% of its donated food directly from Second Harvest Food Bank in 2024 and 2023, respectively, and 62% from Second Harvest Food Bank Meal Connect partners during each year.

At December 31, 2024 and 2023, 78% and 51%, respectively, of contributions receivable is from four donors and two donors, respectively.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 5 - FAIR VALUE MEASUREMENTS

Financial assets measured at fair value on a recurring basis consist of the following at December 31:

|                   |            | 2024        |           |             |  |
|-------------------|------------|-------------|-----------|-------------|--|
|                   | Fair Value | Level 1     | Level 2   | Level 3     |  |
| <u>Inventory:</u> |            |             |           |             |  |
| Donated food      | \$ 71,815  | <u>\$</u> - | \$ 71,815 | <u>\$</u>   |  |
|                   |            | 2023        |           |             |  |
|                   | Fair Value | Level 1     | Level 2   | Level 3     |  |
| <u>Inventory:</u> |            |             |           |             |  |
| Donated food      | \$ 39,907  | <u>\$</u>   | \$ 39,907 | <u>\$</u> _ |  |

### NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

|                                | <br>2024     | <br>2023     |
|--------------------------------|--------------|--------------|
| Office equipment               | \$<br>15,474 | \$<br>13,974 |
| Vehicles                       | 38,000       | 38,000       |
| Warehouse equipment            | <br>66,149   | <br>66,149   |
|                                | 119,623      | <br>118,123  |
| Less: accumulated depreciation | <br>(45,180) | <br>(34,905) |
|                                | \$<br>74,443 | \$<br>83,218 |

Operating leases

### THE BRANCH OF NASHVILLE, INC.

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 7 - LEASE

The Organization leases its office space under a MOU that is considered an operating lease and calls for monthly rental payments of \$4,000 through December 2026.

The components of lease expense are as follows for the year ended December 31, 2024 and 2023:

|  |                | 2024         |          | 2023     |  |
|--|----------------|--------------|----------|----------|--|
| Operating lease cost                                     | \$             | 48,000       | \$       | 42,000   |  |
| Variable lease cost                                      |                | 4,662        |          | -        |  |
| Donated rent   |                | 25,983       |          | 25,260   |  |
| Total lease cost   | \$             | 78,645       | \$       | 67,260   |  |
| Additional information related to the lease is as follow | vs as of Decem | ber 31, 2024 | 4 and 20 | )23:     |  |
|  | 2024           |              |          | 2023     |  |
| Operating lease - right-of-use asset - current           | \$             | 46,745       | \$       | -        |  |
| Operating lease - right-of-use asset - non-current       |                | 47,556       |          | <u>-</u> |  |
|  | <u>\$</u>      | 94,301       | \$       |          |  |
| Weighted-average remaining lease term:                   |                |              |          |          |  |
| Operating leases   | 2              | years        |          | n/a      |  |
| Weighted-average discount rate:                          |                |              |          |          |  |

1.72%

n/a

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 7 - LEASE

Future undiscounted cash flows and a reconciliation to the lease liabilities recognized on the Statement of Financial Position are as follows as of December 31, 2024:

| Years ending December 31:                |              |
|--|--------------|
| 2025                                     | \$<br>48,000 |
| 2026                                     | <br>48,000   |
| Total lease payments                     | 96,000       |
| Less imputed interest                    | <br>(1,699)  |
| Total present value of lease liabilities | \$<br>94,301 |

On June 16, 2025, The Branch modified its existing lease arrangement to include additional space, with an increase in the monthly payment to \$5,000 per month. The lease also extends the lease term through June 16, 2030. The right-of-use asset and related liability will be updated at that time.

### NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of December 31:

|   | 2024 |        | 2023 |        |
|---|------|--------|------|--------|
| Specific purpose/time:                      |      |        |      |        |
| Food pantry program                         | \$   | 4,672  | \$   | 7,325  |
| Comprehensive care program                  |      | 2,829  |      | 9,500  |
| Older adult care program (next fiscal year) |      | 30,000 |      | 30,000 |
| English language program                    |      | 11,085 |      | 7,313  |
| Total net assets with donor restrictions    | \$   | 48,586 | \$   | 54,138 |

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### DECEMBER 31, 2024 AND 2023

### NOTE 9 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following at December 31:

|   | 2024      |         | 2023 |         |
|---|-----------|---------|------|---------|
| Designated by board for emergencies         | \$        | 3,000   | \$   | 3,000   |
| Net investment in equipment                 |           | 74,443  |      | 83,218  |
| Undistributed food inventory                |           | 71,815  |      | 39,907  |
| Undesignated                                |           | 499,741 |      | 286,186 |
| Total net assets without donor restrictions | <u>\$</u> | 648,999 | \$   | 412,311 |

### NOTE 10 - CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets (excluding food) consisted of the following for the year end December 31:

|                            | 2024 |         | 2023 |        |
|----------------------------|------|---------|------|--------|
| Delivery charges           | \$   | 23,804  | \$   | 27,525 |
| Direct benefits to clients |      | 7,578   |      | -      |
| English language teachers  |      | 138,996 |      | -      |
| Equipment                  |      | 1,500   |      | 1,150  |
| Facility costs             |      | 25,983  |      | 25,260 |
| Supplies                   |      | 5,519   |      |        |
| Total other gifts in kind  | \$   | 203,380 | \$   | 53,935 |