

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

**GRANT CONTRACT
BETWEEN
THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AND
THE F.I.N.D. DESIGN, INC.**

This Grant Contract issued and entered into pursuant to Resolution RS2023 _____, by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and The F.I.N.D. Design, Inc. ("Recipient" or "T.F.D."), is for the provision of South Nashville Community Safety programs, as further defined in the "SCOPE OF PROGRAM". Additional documents including Recipient's audit are incorporated herein by reference as attachments A-F.

A. SCOPE OF PROGRAM:

A.1. The Recipient will use the grant funds as follows:

The F.L.Y. Girl program is an evidenced-based program that aims to restore the bond between black and brown girls and the community by reducing school discipline outcomes and juvenile justice involvement. The program will recruit girls from Glenciff, Croft, and Margaret Allen schools and use a healing-centered positive youth development framework that builds skills, assets, and competencies.

The project will include a community-centered staffing model, evidence-based curriculum and assessments, monthly monitoring of school suspension outcomes, and professional development for educators and support staff. The program will use healing circles, transformative workshops, and 2:1 life coaching to create a safe space for girls to articulate stressors, co-construct solutions, and serve as leaders.

GOAL: To promote positive mental health and well-being for black and brown girls by providing safe spaces of sisterhood and networking that support their healing.

Objective 1 - To increase the wellness and mental health development of 100 black and brown girls ages 11-17 through weekly healing circles and skills development (total of 32 sessions or 48 hours) during an academic school year.

Activity 1: T.F.D. will receive referrals from Davidson County Juvenile Court and Metro Nashville Public Schools ("MNPS") at 12 school locations to facilitate these healing circles.

Due for completion: Quarter 1; Output: 100 recruited.

Activity 2: T.F.D. will implement an evidence-based healing-centered restorative curriculum and asset-building practices for participants. Healing circles will average an hour and a half and be completed during or after school, depending on the school. Programming will be in designated trauma-informed spaces that can provide safety and confidentiality with trained facilitators.

Due for completion: Quarter 4; Output: 80% of girls attend workshops.

Activity 3: T.F.D., in partnership with the University of Tennessee - College of Social Work, will assess and measure girls' growth in mental health knowledge by implementing a pre/post survey of the *Mental Health Literacy Measure for youth*.

Due for completion: Quarter 1 & 4; Output: 80% of girls attend workshops.

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- A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachments A and B. 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 commence on July 1, 2023 and end on June 30, 2024. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed forty-eight thousand dollars (\$48,000). 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.

Recipient may invoice for \$10,000 upon approval of the Grant Contract.

Recipient may invoice monthly for up to \$3,166.66.

Receipts must be made available for all claimed expenses.

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, 2024. 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 Annual Expenditure Report, to be received by Mayor's Office of Community Safety, within 45 days of the end of the

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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.
- 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.
- C.9. **Grant Subject to Availability of Funds.** This Grant Contract is subject to the availability of funds. In the event that funds are unavailable, Metro reserves the right to terminate this Grant Contract upon provision of written notice to Recipient. Metro's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by Metro. Upon provision of written notice to Recipient, Recipient shall cease all work associated with this Grant Contract. Recipient shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date.
- 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

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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. 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. **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.5. **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.6. **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 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.7. **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.8. **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.9. **Reporting.** The Recipient must submit an Interim Program Report, to be received Mayor's Office of Community Safety, by no later than February 17, 2024, and a Final Program Report, to be received by Mayor's Office of Community Safety, 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.10. **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.

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- D.11. **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.12. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.
- D. 13. **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. 14. **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.15. **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 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.16. **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.17. **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.

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D.18. **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.19. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.

D.20. **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. 21. **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.22. **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 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 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.23. **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

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respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201
(615) 492-1932

For enquiries regarding invoices:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201 %
(615) 492-1932

Recipient

Kara James, Executive Director
The F.I.N.D. Design, Inc
2787 Smith Springs Rd
Nashville, TN 37217
(615) 647-8222

D.24. 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.

D.25. 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;

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- 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.26. **Criminal Background Checks.** Recipient shall comply, and shall assure that any of its subcontractors performing work under this Contract comply, with Public Chapter 587 of 2007, as codified in Tennessee Code Annotated Section 49-5-413, which requires all contractors to facilitate a criminal history records check conducted by the Tennessee Bureau of Investigation and the Federal Bureau of Investigation for each employee prior to permitting the employee to have contact with students or enter school grounds when students are present.

When applying for the background check defined above, Recipient's employees and subcontractors must specify the appropriate ORI code for results reporting and provide Metro with the green light letter per employee.

- If Recipient and any of its subcontractors performing work under this Contract will have direct contact with MNPS students, MNPS ORI code (TN930050Z) shall be used.
- If Recipient and any of its subcontractors performing work under this Contract will not have direct contact with MNPS students (e.g. roofers, electricians, welders, etc.), Recipient's own ORI code (TNCC19188) shall be used.

The requirement stated in the preceding paragraph does not apply to a person whose contract is for the performance of a service at a school-sponsored activity, assembly or event at which school officials or employees are present when the service is performed and where the activity, assembly or event is conducted under the supervision of school officials or employees.

D.27. **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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**THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:**

RECIPIENT: THE F.I.N.D DESIGN, INC.

APPROVED AS TO AVAILABILITY OF
FUNDS:

DocuSigned by:
By: Kara James
DBB7E05A7C3346B...

Title: Kara James, Executive Director

Kelly Flannery/mjiw A P
Director of Finance

Date: 5/3/2023

APPROVED AS TO FORM AND
LEGALITY

Courtney Mohan
Metropolitan Attorney

FILED IN THE OFFICE OF THE CLERK:

Metropolitan Clerk

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- A. Grant Spending Plan
- B. Spending Plan Addendum
- C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation
- D. Tennessee Secretary of State Nonprofit Confirmation
- E. Annual audit conducted by an independent CPA in accordance with generally accepted auditing standards
- F. Non-profit Grants Manual Receipt Acknowledgment

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A. Grant Spending Plan

RECIPIENT NAME:	The F.I.N.D. Design, Inc.
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THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD: July 1, 2023 – June 30, 2024				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	\$44,000		\$44,000
	Benefits and Taxes (9%)	\$4,000		\$4,000
	Professional Fees	\$0		\$0
	Supplies	\$0		\$0
	Communications	\$0		\$0
	Postage and Shipping	\$0		\$0
	Occupancy	\$0		\$0
	Equipment Rental and Maintenance	\$0		\$0
	Printing and Publications	\$0		\$0
	Travel/ Conferences and Meetings	\$0		\$0
	Insurance	\$0		\$0
	Specific Assistance to Individuals	\$0		\$0
	Other Non-Personnel	\$0		\$0
	GRAND TOTAL	\$48,000		\$48,000

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B. Spending Plan Addendum

The F.I.N.D. Design Inc.'s proposed staffing plan for the grant program states that the funds will be used for salary, taxes, and fringe benefits as follows:

Position: Director of Programs: Annual Salary \$64000; 70% of this individual's time is spent on this project (\$44800).

Responsibilities: Oversees this program, including supervising and training staff, organizing school educator professional development, and ensuring program implementation, assessments, and fidelity of the program.

Request: 39% or \$25000 will be charged to this Grant.

Position: Site Coordinator-Annual Salary (\$45000) 85% of this individual's time is spent on this project (\$38250).

Responsibilities: Providing direct services to the participants; point of contact for 6 or 12 schools pp. Work with school personnel, workshop weekly facilitators, and participants to ensure program delivery and fidelity.

Request: 42% or \$19000 will be charged to this Grant.

Total Salary Requested: \$44,000

Total Fringes (taxes and benefits) = \$25800; \$4000 or approximately 15% will be charged to this Grant.

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C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation

INTERNAL REVENUE SERVICE P. O. BOX 2508 CINCINNATI, OH 45201	DEPARTMENT OF THE TREASURY
Date: JUL 16 2015	Employer Identification Number: 47-2471327
THE F I N D DESIGN 1502 WAXMAN DR LA VERGNE, TN 37086	DIN: 17053168363015 Contact Person: RENEE RALEY NORTON ID# 31172
	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: December 5, 2014
	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 letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

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D. Tennessee Secretary of State Nonprofit Confirmation

Tennessee Secretary of State
Tre Hargett



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

October 24, 2022

KARA JAMES
2787 SMITH SPRINGS RD.
NASHVILLE, TN 37217

RE: Registration to Solicit Funds for Charitable Purposes
Organization Name: F.I.N.D. DESIGN
CO Number: CO23536
Renewal Date: 06/30/2023

Dear KARA JAMES :

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 <https://sos.tn.gov/charities>. 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,

A handwritten signature in black ink that reads "Tre Hargett".

Tre Hargett
Secretary of State

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**E. Annual audit conducted by an independent CPA in accordance with generally
accepted auditing standards**

Financial Statements
June 30, 2022

The F.I.N.D. Design, Inc.

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The F.I.N.D. Design, Inc.
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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**



Independent Auditor's Report

To the Board of Directors of
The F.I.N.D. Design, Inc.

Opinion

We have audited the financial statements of The F.I.N.D. Design, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 F.I.N.D. Design, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 F.I.N.D. Design, Inc. 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 F.I.N.D. Design, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

from error, as fraud may involve collusion, forgery, intentional 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 judgement 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 F.I.N.D. Design, Inc.'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 F.I.N.D. Design, Inc.'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.



KLLW, LLP
Nashville, Tennessee
September 1, 2022

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Statement of Financial Position
June 30, 2022

Assets	
Cash and cash equivalents	\$ 104,953
Promises to give, net	100,000
Property and equipment, net	1,487
Total assets	<u>\$ 206,440</u>
Liabilities and Net Assets	
Accounts payable and accrued expenses	\$ 3,038
EIDL Loan	60,000
Total liabilities	<u>63,038</u>
Net Assets	
Without donor restrictions	117,402
With donor restrictions	26,000
Total net assets	<u>143,402</u>
Total liabilities and net assets	<u>\$ 206,440</u>

See Notes to Financial Statements

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Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023

The F.I.N.D. Design, Inc.
Statement of Activities
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Public support			
Government grants	\$ 75,332	\$ 25,000	\$ 100,332
Other grant income	414,690	35,000	449,690
Contributions	8,260	-	8,260
In-kind donations	12,000	1,000	13,000
Total public support	<u>510,282</u>	<u>61,000</u>	<u>571,282</u>
Other revenue			
Interest income	4	-	4
Total other revenue	<u>4</u>	<u>-</u>	<u>4</u>
Net assets released from restrictions	<u>35,000</u>	<u>(35,000)</u>	<u>-</u>
Total support and revenue	<u>545,286</u>	<u>26,000</u>	<u>571,286</u>
Expenses			
Program services expense			
Youth Development	255,466	-	255,466
Total program services expenses	<u>255,466</u>	<u>-</u>	<u>255,466</u>
Supporting services expense			
Management and general	150,203	-	150,203
Fundraising and development	1,858	-	1,858
Total supporting services expenses	<u>152,061</u>	<u>-</u>	<u>152,061</u>
Total expenses	<u>407,527</u>	<u>-</u>	<u>407,527</u>
Change in Net Assets	137,759	26,000	163,759
Net Assets, Beginning of Year	<u>(20,357)</u>	<u>-</u>	<u>(20,357)</u>
Net Assets, End of Year	<u>\$ 117,402</u>	<u>\$ 26,000</u>	<u>\$ 143,402</u>

See Notes to Financial Statements

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Grant contract between the Metropolitan Government of Nashville and Davidson County and
 The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023

The F.I.N.D. Design, Inc.
 Statement of Functional Expenses
 Year Ended June 30, 2022

	Youth Development	Management and general	Fundraising and development	Total
Bank and transaction fees	\$ 3,475	\$ 379	\$ -	\$ 3,854
Contract services	-	-	-	-
Depreciation	-	625	-	625
Employee benefits	6,861	3,534	-	10,395
Grants	5,000	-	-	5,000
Information technology	7,214	4,594	1,858	13,666
Insurance	-	2,857	-	2,857
Interest	-	1,650	-	1,650
Occupancy	10,220	4,080	-	14,300
Other	-	4,520	-	4,520
Payroll taxes and fees	13,829	10,096	-	23,925
Printing and postage	681	-	-	681
Professional services	-	9,500	-	9,500
Salaries and wages	172,624	88,928	-	261,552
Supplies	25,424	2,336	-	27,760
Training	2,063	13,415	-	15,478
Travel	8,075	595	-	8,670
Utilities	-	3,094	-	3,094
Total expenses by function	\$ 255,466	\$ 150,203	\$ 1,858	\$ 407,527

See Notes to Financial Statements

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Statement of Cash Flows
Year Ended June 30, 2022

Reconciliation of Change in Net Assets to Net Cash from (used for) Operating Activities	
Change in net assets	\$ 163,759
Adjustments to reconcile change in net assets to net cash from (used for) operating activities	
Depreciation	625
Changes in operating assets and liabilities	
Accounts receivable, net	2,649
Promises to give, net	(100,000)
Accounts payable and accrued expenses	1,650
Net Cash from (used for) Operating Activities	<u>\$ 68,683</u>
Net Change in Cash, Cash Equivalents, and Restricted Cash	68,683
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>36,270</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u>\$ 104,953</u>
 Supplemental Disclosure of cash Flow Information	
Cash paid during the year for interest	<u>\$ -</u>

See Notes to Financial Statements

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies

Organization

The F.I.N.D. Design, Inc. (FIND, we, us, our) was formed in Tennessee in 2014 to serve middle and high school black girls and other girls of color through culturally relevant African American-centric models. With an emphasis on girls that are high risk or have already interacted with the juvenile court system, we partner with public school systems and courts to offer services that promote healing and safety. As part of our mission to empower girls of color, we provide group mentoring that includes life training with social and emotional development skills. We use trained volunteers as well as paid professionals and are supported primarily through revenue from grants. A board of directors governs our organization.

Basis of Presentation

The accompanying financial statements were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash, Cash Equivalents, and Restricted Cash

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors (which includes grantors, as applicable, throughout) for long-term purposes, to be cash and cash equivalents.

Receivables and Credit Policies

Accounts receivable consist primarily of amounts due for services provided in connection with the fulfillment of our mission. We determine the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At June 30, 2022, there were no accounts receivable due to FIND.

Promises to Give

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2022, unconditional promises to give were expected to be collected within one year and no allowance for uncollectable promises to give was made. One donor accounted for 100 percent of total promises to give.

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

Property and Equipment

We record property and equipment additions that we deem to be significant at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 7 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2022.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Support and Revenue

Public support is recognized when the donor makes a promise to give to FIND that is, in substance, unconditional. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor 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.

Donated Services, Resources and In-Kind Contributions

Volunteers contribute significant amounts of time to our program service activities; however,

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services and resources when applicable at the respective fair values of the services and resources received (Note 5).

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy, salaries and wages, payroll taxes and fees and contract services, which are allocated on the basis of estimates of usage, time and effort.

Income Taxes

The F.I.N.D. Design, Inc. is organized as a Tennessee nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. We are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to our exempt purposes. We have determined that we are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Concentration of Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with a financial institution believed by us to be creditworthy. During the year ended June 30, 2022, amounts on deposit did not exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and cash equivalents	\$ 104,953
Promises to give, net due in one year	100,000
	<u>\$ 204,953</u>

As part of FIND's liquidity management, we structure our financial assets to be available as general expenditures, liabilities, and other obligations come due.

Note 3 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purpose at June 30, 2022:

Subject to expenditure for specified purpose:	
Youth Development	26,000

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the year ended June 30, 2022:

Satisfaction of purpose restrictions	
Youth Development	35,000

Note 4 - Property and Equipment

Property and equipment consists of the following at June 30, 2022:

Computers	\$ 1,750
Furniture	1,925
	<u>3,675</u>
Less accumulated depreciation	2,188
	<u>\$ 1,487</u>

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

Note 5 - Donated Professional Services and Resources

We received donated professional services and materials as follows during the year ended June 30, 2022:

	<u>Youth Development</u>	<u>Management and general</u>	<u>Total</u>
Supplies	\$ 1,000	\$ -	\$ 1,000
Occupancy	<u>7,920</u>	<u>4,080</u>	<u>12,000</u>
	<u>\$ 8,920</u>	<u>\$ 4,080</u>	<u>\$ 13,000</u>

Note 6 - EIDL Loan

On August 27, 2020, FIND entered into a loan authorization and loan agreement with the United States Small Business Administration (the "SBA"), as lender, pursuant to the SBA's Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on FIND's business (the "EIDL Loan Agreement") encompassing a \$60,000 promissory note issued to the SBA (the "EIDL Note") (together with the EIDL Loan Agreement, the "EIDL Loan"). The proceeds of the EIDL Loan will be used by FIND as working capital to alleviate economic injury caused by COVID-19. The EIDL Loan is secured by a security interest on all of FIND's assets and is payable over 30 years at an interest rate of 2.75% per annum. Under the EIDL Note, FIND is required to pay principal and interest payments of \$257 every month beginning February 1, 2023. All remaining principal and accrued interest is due and payable on August 27, 2050. The EIDL Note may be repaid at any time without penalty.

Further maturities of the EIDL Loan for years subsequent to June 30, 2022 are as follows:

2023	\$ 666
2024	1,360
2025	1,398
2026	1,437
2027	1,477
Thereafter	<u>53,662</u>
	<u>\$ 60,000</u>

Note 7 - Risks and Uncertainties

In March 2020, the novel coronavirus (or "COVID-19") was deemed a global pandemic by the World Health Organization. COVID-19 has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. The resulting regulations instituted across the United States to curb COVID-19 have resulted in a significant change in the operation of many businesses, including having directly impacted operations of FIND. The implications of COVID-19 on FIND's ongoing operations are still being evaluated and the duration and intensity of its impact is uncertain.

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

The F.I.N.D. Design, Inc.
Notes to Financial Statements
June 30, 2022

Note 8 - Subsequent Events

We have evaluated subsequent events through September 1, 2022, the date the financial statements were available to be issued. During this period, FIND did not have any other material recognizable events that required recognition or disclosure in the June 30, 2022 financial statements.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
The F.I.N.D. Design, Inc., Contract # _____; May 3, 2023**

F. Non-profit Grants Manual Receipt Acknowledgement



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

**Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement**

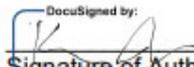
Recipient Name The FIND Design

May 3, 2023

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following: [Non-Profit Grant Resources](#)
- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non-Profit Grants Manual.
- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

DocuSigned by:

 Signature of Authorized Representative
 Name: Kara James
 Title: Executive Director
 Agency Name: The FIND Design
 Date: 5/3/2023

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

**GRANT CONTRACT
BETWEEN
THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AND
WATER WALKERS**

This Grant Contract issued and entered into pursuant to Resolution RS2023 _____, by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and Water Walkers ("Recipient"), is for the provision of South Nashville Community Safety programs, as further defined in the "SCOPE OF PROGRAM". Additional documents including Recipient's audit are incorporated herein by reference as attachments A-F.

A. SCOPE OF PROGRAM:

A.1. The Recipient will use the grant funds as follows:

Recipient will assist the Metro Nashville Mayor's Office in implementing a program focusing on Engaging and Supporting Youth and Families and Strengthening Anti-Violence Social Norms and Peer Relationships.

Water Walkers is a program that helps underserved youth ages 6-18 in South Nashville build confidence and community through watersports, outdoor adventure, and education. The program aims to give children and teens much better options in their formative years by addressing the most vulnerable areas of the population through its five "program pillars":

- Basic Needs, such as hygiene products, and access to mental health counseling
- Wellness, addressing Adverse Childhood Experiences (ACEs)
- Education, using award-winning software to assess current grade levels in reading and math
- Outdoor Adventure, taking the kids on about 50 outdoor adventures year-round
- Leadership Development, providing paid employment for qualified youth ages 14 and older, and adult mentorship opportunities

Funds from the Community Safety Grant Opportunity will be utilized to support current staffing costs and hire an additional part-time program assistant. The additional support for 25-30 hours per week will allow Recipient to increase the number of youths served by 33% over last year.

A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachments A and B. 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.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

B. GRANT CONTRACT TERM:

B.1. **Grant Contract Term.** The term of this Grant will commence on May 17, 2023 and end on June 30, 2024. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed forty-eight thousand dollars (\$48,000). 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.

Recipient may invoice for \$10,000 upon approval of the Grant Contract.

Recipient may invoice monthly for up to \$3,166.66.

Receipts must be made available for all claimed expenses.

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, 2024. 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 Annual Expenditure Report, to be received by Mayor's Office of Community Safety, 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.

Grant contract between the Metropolitan Government of Nashville and Davidson County and

Water Walkers, Contract # _____; May 3, 2023

- 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.
- 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.
- C.9. **Grant Subject to Availability of Funds.** This Grant Contract is subject to the availability of funds. In the event that funds are unavailable, Metro reserves the right to terminate this Grant Contract upon provision of written notice to Recipient. Metro's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by Metro. Upon provision of written notice to Recipient, Recipient shall cease all work associated with this Grant Contract. Recipient shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date.
- 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. 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. **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.5. **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.

Grant contract between the Metropolitan Government of Nashville and Davidson County and

Water Walkers, Contract # _____; May 3, 2023

- D.6. **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 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.7. **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.8. **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.9. **Reporting.** The Recipient must submit an Interim Program Report, to be received Mayor's Office of Community Safety, by no later than February 17, 2024, and a Final Program Report, to be received by Mayor's Office of Community Safety, 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.10. **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.11. **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.12. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.
- D. 13. **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. 14. **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

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

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.15. **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 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.16. **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.17. **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.18. **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.19. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.
- D.20. **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.

Grant contract between the Metropolitan Government of Nashville and Davidson County and

Water Walkers, Contract # _____; May 3, 2023

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. 21. **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.22. **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 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 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.23. **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 or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201
(615) 492-1932

For enquiries regarding invoices:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201
(615) 492-1932

Recipient

Clint Bandy, President & Director
Water Walkers
PO Box 128376
Nashville, TN 37212
(940) 393-5955

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

D.24. **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.

D.25. **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.26. **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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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

**THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:**

RECIPIENT: WATER WALKERS

APPROVED AS TO AVAILABILITY OF
FUNDS:

DocuSigned by:
By: Clint Bandy
7E73F44C3056471...

Title: Clint Bandy, President & Director

Kelly Flannery/mjw A P
Director of Finance

Date: 5/3/2023

APPROVED AS TO FORM AND
LEGALITY

Courtney Mohan
Metropolitan Attorney

FILED IN THE OFFICE OF THE CLERK:

Metropolitan Clerk

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

TABLE OF CONTENTS OF ATTACHMENTS

- A. Grant Spending Plan
- B. Spending Plan Addendum
- C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation
- D. Tennessee Secretary of State Nonprofit Confirmation
- E. Annual audit conducted by an independent CPA in accordance with generally accepted auditing standards
- F. Non-profit Grants Manual Receipt Acknowledgment

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

A. Grant Spending Plan

RECIPIENT NAME:	Water Walkers
------------------------	---------------

THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD: May 17, 2023 – June 30, 2024				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	\$44,589		\$44,589
	Benefits and Taxes (7.65%)	\$3,411		\$3,411
	Professional Fees	\$0		\$0
	Supplies	\$0		\$0
	Communications	\$0		\$0
	Postage and Shipping	\$0		\$0
	Occupancy	\$0		\$0
	Equipment Rental and Maintenance	\$0		\$0
	Printing and Publications	\$0		\$0
	Travel/ Conferences and Meetings	\$0		\$0
	Insurance	\$0		\$0
	Specific Assistance to Individuals	\$0		\$0
	Other Non-Personnel	\$0		\$0
	GRAND TOTAL	\$48,000		\$48,000

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

B. Spending Plan Addendum

In the salaries and wages portion of the Grant Spending Plan, \$10,000 will be allocated toward a portion of the salary of a new part time program assistant and \$34,589 toward the current program staff costs.

The Program Director, Archie Davis II, oversees all five pillars of programming.

The Program Assistant, Enrico Campbell, coordinates all day-to-day logistics that keep the programs running 5 days/week, 46 weeks per year.

The CEO, Clint Bandy, provides additional program assistance wherever needed, usually 3-5 days per week.

The purpose of the new program assistant role will be to allow for growth of our programs. With that goal in mind, there are 3 key areas of focus:

1. Help with transportation as the number of youths supported grows. This includes help with gathering the youth and driving a group of them to and from programs.
2. Help with the education period daily. This includes helping youth with their computer lessons and helping staff with software maintenance.
3. Help with food preparation for youth daily. This will help alleviate current staff and allow for more hours allocated to lesson planning

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

D. Tennessee Secretary of State Nonprofit Confirmation

Tennessee Secretary of State
Tre Hargett

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

Thomas H. Riley, III
Director
August 16, 2022

615-741-2555
Tom.Riley@tn.gov

Clint Bandy

Water Walkers
PO Box 128376
Nashville, TN 37212

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Water Walkers - CO29304
Registration Expiration Date: **June 30, 2023**

Dear Clint Bandy:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all 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) 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

HLR.CO29304

sos.tn.gov

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

**E. Review of financial statements conducted by an independent CPA in accordance
with generally accepted auditing standards**

Water Walkers, Inc.

Financial Statements

December 31, 2022

Maria Donnell, CPA
Certified Public Accountant
Nolensville, Tennessee

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Independent Accountants Review Report

Water Walkers, Inc.
Nashville, Tn

I have reviewed the accompanying financial statements of Water Walkers (a nonprofit organization), which comprise the balance sheet as of December 31, 2022 and the related statement of income and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Maria Donnell, CPA
4/10/2023

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Statement of Financial Position

As of December 31, 2022

	Total
ASSETS	
Current Assets	
Bank Accounts	
Checking 8677 (for LOC payment)	486.58
Operating (1st Citizens 8669)	26,606.66
Total Bank Accounts	27,093.24
Other Current Assets	
Grant Receivable	10,000.00
Total Other Current Assets	10,000.00
Total Current Assets	37,093.24
Fixed Assets	
Accumulated Depreciation	-86,682.00
Machinery & Equipment	549.99
Vehicles	98,424.00
Total Fixed Assets	12,291.99
TOTAL ASSETS	\$49,385.23
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	3,379.95
Total Accounts Payable	3,379.95
Other Current Liabilities	
Line of Credit	590.00
Payroll Liabilities	296.85
Total Other Current Liabilities	886.85
Total Current Liabilities	4,266.80
Total Liabilities	4,266.80
Equity	
Retained Earnings	86,598.46
Net Revenue	-41,480.03
Total Equity	45,118.43
TOTAL LIABILITIES AND EQUITY	\$49,385.23

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Statement of Activity

January - December 2022

	Total
REVENUE	
In Kind Revenue	2,419.08
Revenue	
Corporate	4,551.41
Foundation	6,650.00
Grants	7,500.00
Membership	160,689.03
Miscellaneous Revenue	35,172.84
Total Revenue	214,563.28
Total Revenue	216,982.36
GROSS PROFIT	
	216,982.36
EXPENDITURES	
Administrative Expenses	
Bank Fees & Service Charges	105.99
Dues & Subscriptions	1,486.25
Meetings	6,986.36
Office Supplies	4,393.79
Postage & Shipping	805.83
Travel	4,794.44
Total Administrative Expenses	18,572.66
Auto Expenses	115.23
Fuel	6,907.07
Repairs/Maintenance	1,422.95
Total Auto Expenses	8,445.25
Boat Expenses	
Fuel	1,207.56
Repairs/Maintenance	2,057.16
Storage	6,409.68
Total Boat Expenses	9,674.40
Development	
Event Expenses	3,250.00
Printing/Marketing	1,615.82
Total Development	4,865.82
In Kind Expenses	2,419.08
Independent Contractors	93.75
Accounting	13,575.00
Audit & Tax Preparation	1,000.00
Fundraising/Development	4,875.00
Grantwriter	10,882.50
Misc/Other	15,646.28
Total Independent Contractors	46,072.53
Insurance	

Water Walkers

3

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

	Total
Boat	7,914.00
Directors & Officers	117.00
General Liability	870.93
Van	966.57
Workers Comp	1,094.00
Total Insurance	10,962.50
Interest Expense	16.95
Licenses & Permits	101.92
Marketing	2,627.17
Meals & Entertainment	186.11
Occupancy	
Rental space	1,014.00
Telephone/Internet	4,165.10
Total Occupancy	5,179.10
Payroll	
Payroll Fees	1,396.36
Payroll Taxes	8,341.85
SUTA	1,622.90
Total Payroll Taxes	9,964.75
Wages	110,222.96
Total Payroll	121,584.07
Program Expenses	
Basic Needs	76.28
Meals/Groceries	7,384.36
Mental Health Program	6,000.00
Mentoring	458.37
Misc/Other	2,254.19
Supplies	2,061.40
Training & HR	689.75
Trainings & Certifications	309.17
Total Training & HR	998.92
Total Program Expenses	19,233.52
Software & IT	3,761.99
Total Expenditures	253,703.07
NET OPERATING REVENUE	-36,720.71
OTHER EXPENDITURES	
Miscellaneous	4,759.32
Total Other Expenditures	4,759.32
NET OTHER REVENUE	-4,759.32
NET REVENUE	\$ -41,480.03

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Statement of Cash Flows

January - December 2022

	Total
OPERATING ACTIVITIES	
Net Revenue	-41,480.03
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
Grant Receivable	-10,000.00
Accounts Payable (A/P)	3,379.95
Line of Credit	-665.41
Payroll Liabilities	296.85
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	-6,988.61
Net cash provided by operating activities	-48,468.64
NET CASH INCREASE FOR PERIOD	-48,468.64
Cash at beginning of period	75,561.88
CASH AT END OF PERIOD	\$27,093.24

Water Walkers

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Water Walkers
Notes to Financial Statements
December 31, 2022

1. Summary of significant accounting policies

Basis of Accounting

The financial statements are prepared in conformity with generally accepted accounting principles in the United States of America (GAAP).

Nature of Operations

Water Walkers uses the transformative power of watersports, outdoor adventure, and education to help youth in Nashville walk on the rough waters of life. The company is primarily funded through Membership Fees, though there are also donations, sponsorships, and grants.

Tax Exempt Status

The Company is tax exempt under Internal Revenue Code 501(c)(3) for Federal income tax purposes.

Use of Estimates

Management does not use estimates in the preparation of its financial statements, instead using actual amounts.

Balance Sheet Classification

A one-year time period is used as the basis for classifying all current assets and liabilities.

Grants Receivable

Grants receivables are stated at the amount management expects to collect based upon pledged amounts.

Accounts Payable

Accounts payable are stated at the amount owed. The amounts are payable to the company's vendors.

Evaluation of Subsequent Events

Management has evaluated subsequent events through March 31, 2023 the date on which the financial statements were available to be issued.

2. Property, Plant and Equipment

Property and equipment are stated at cost. Depreciation is stated using the straight-line method over the estimated useful lives of the equipment. Expenditures for repairs and maintenance are charged to expense as incurred.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

Water Walkers
Notes to Financial Statements
December 31, 2022

Property, Plant and Equipment	\$ 98,973.99
Accumulated Depreciation	<u>(86,682.00)</u>
Net Property, Plant and Equipment	<u>\$ 12,291.99</u>

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Water Walkers, Contract # _____; May 3, 2023**

F. Non-profit Grants Manual Receipt Acknowledgement

DocuSign Envelope ID: 33ECB1E0-ADBE-41A1-A775-51EE8498FF37



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

**Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement**

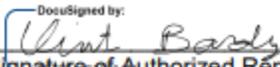
Recipient Name water walkers

May 3, 2023

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following: [Non-Profit Grant Resources](#)
- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non-Profit Grants Manual.
- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

DocuSigned by:

 Signature of Authorized Representative
 Name: Clint Bandy
 Title: CEO
 Agency Name: water walkers
 Date: 5/3/2023

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

**GRANT CONTRACT
BETWEEN
THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AND
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC.**

This Grant Contract issued and entered into pursuant to Resolution RS2023 _____, by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and YOU HAVE THE POWER...KNOW HOW TO USE IT, INC. ("Recipient"), is for the provision of South Nashville Community Safety programs, as further defined in the "SCOPE OF PROGRAM". Additional documents including Recipient's audit are incorporated herein by reference as attachments A-F.

A. SCOPE OF PROGRAM:

A.1. The Recipient will use the grant funds as follows:

Recipient will assist the Metro Nashville Mayor's Office in implementing a program focusing on Violence Interruption Programs, Engaging and Supporting Youth, and Strengthening Anti-Violence Social Norms and Peer Relationships.

You Have the Power is a community-based organization that provides awareness, education, and resources statewide, including the Metro Nashville statistical area. The organization aims to reduce youth violence and promote healing from trauma through the implementation of evidence-informed curricula and train the trainer workshops.

The organization seeks \$25,000 to provide Train the Trainer workshops and two evidence-informed curricula for adults who serve the Antioch target population. The program has already been implemented in Memphis and currently used by the Davidson County Sheriff's Office, Metro Schools, and the Communities in Schools TN staff.

The program includes expenditures for Recipient staff salaries, professional services fees, supplies for the Train the Trainer programs, and travel expenses incurred for the project. Deliverables include:

- Train the Trainer Workshops: Recipient plans to provide Train the Trainer workshops to adults serving the Antioch target population, using two evidence-informed curricula. The workshops will equip participants with the knowledge and skills needed to implement the curricula effectively.
- Evidence-Informed Curricula: Recipient plans to provide two evidence-informed curricula (Youth Impact Curriculum and Victim's Impact curriculum) for adults to implement with youth in the Antioch target population.

A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachments A and B. 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

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

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 commence on May 17, 2023 and end on June 30, 2024. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed twenty-five thousand dollars (\$25,000). 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.

Recipient may invoice for \$10,000 upon approval of the Grant Contract.

Recipient may invoice monthly for up to \$1,250.

Receipts must be made available for all claimed expenses.

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, 2024. 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 Annual Expenditure Report, to be received by Mayor's Office of Community Safety, 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

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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.
- 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.
- C.9. **Grant Subject to Availability of Funds.** This Grant Contract is subject to the availability of funds. In the event that funds are unavailable, Metro reserves the right to terminate this Grant Contract upon provision of written notice to Recipient. Metro's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by Metro. Upon provision of written notice to Recipient, Recipient shall cease all work associated with this Grant Contract. Recipient shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date.
- 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. Such termination will not relieve the Recipient of any liability to Metro for damages sustained by virtue of any breach by the Recipient.

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- D.4. **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.5. **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.6. **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 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.7. **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.8. **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.9. **Reporting.** The Recipient must submit an Interim Program Report, to be received Mayor's Office of Community Safety, by no later than February 17, 2024, and a Final Program Report, to be received by Mayor's Office of Community Safety, 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.10. **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.11. **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.12. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.

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- D. 13. **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. 14. **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.15. **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 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.16. **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.17. **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.18. **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.

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YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

D.19. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.

D.20. **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. 21. **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.22. **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 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 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.23. **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 or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters:
Mayor's Office of Community Safety
1 Public Square,

For enquiries regarding invoices:
Mayor's Office of Community Safety
1 Public Square,

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YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

Nashville, TN 37201
(615) 492-1932

Nashville, TN 37201
(615) 492-1932

Recipient

Cathy Gurley, Chief Executive Officer
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC.
2401 White Avenue
Nashville, TN 37204
(615) 292-7027

D.24. 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.

D.25. 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.

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- 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.26. **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.

(THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.)

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**THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:**

**RECIPIENT: YOU HAVE THE POWER...KNOW
HOW TO USE IT, INC.**

APPROVED AS TO AVAILABILITY OF
FUNDS:

DocuSigned by:
By: Cathy Gurley
053611235F01469...

Title: Cathy Gurley, Chief Executive Officer

Kelly Flannery/mjw A P
Director of Finance

Date: 5/4/2023

APPROVED AS TO FORM AND
LEGALITY

Courtney Mohan
Metropolitan Attorney

FILED IN THE OFFICE OF THE CLERK:

Metropolitan Clerk

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
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TABLE OF CONTENTS OF ATTACHMENTS

- A. Grant Spending Plan
- B. Spending Plan Addendum
- C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation
- D. Tennessee Secretary of State Nonprofit Confirmation
- E. Annual audit conducted by an independent CPA in accordance with generally accepted auditing standards
- F. Non-profit Grants Manual Receipt Acknowledgment

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A. Grant Spending Plan

RECIPIENT NAME:	YOU HAVE THE POWER...KNOW HOW TO USE IT, INC.
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THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD: July 1, 2023 – June 30, 2024				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	\$13,690		\$13,690
	Benefits and Taxes	\$0		\$0
	Professional Fees	\$8,550		\$8,550
	Supplies	\$2,260		\$2,260
	Communications	\$0		\$0
	Postage and Shipping	\$0		\$0
	Occupancy	\$0		\$0
	Equipment Rental and Maintenance	\$0		\$0
	Printing and Publications	\$0		\$0
	Travel/ Conferences and Meetings	\$500		\$500
	Insurance	\$0		\$0
	Specific Assistance to Individuals	\$0		\$0
	Other Non-Personnel	\$0		\$0
	GRAND TOTAL	\$25,000		\$25,000

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

B. Spending Plan Addendum

The budget includes expenditures for YHTP staff salaries, professional services fees, supplies for the Train the Trainer programs, and travel expenses incurred for the project.

The bulk of the grant budget will be spent on staff salaries and professional fees to schedule, train, and provide technical assistance to the curriculum trainees.

The remainder of the budget will be for training supplies and mileage reimbursement.

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C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation

4/18/23, 6:18 PM

Tax Exempt Organization Search Details | Internal Revenue Service

You Have the Power Know How to Use It Inc.

EIN: 62-1616253 | Nashville, Tennessee, United States

Publication 78 Data

Organizations eligible to receive tax-deductible charitable contributions. Users may rely on this list in determining deductibility of their contributions.

On Publication 78 Data List: Yes

Deductibility Code: PC ⓘ

<https://apps.irs.gov/app/eos/details/>

1/1

Grant contract between the Metropolitan Government of Nashville and Davidson County and YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023

D. Tennessee Secretary of State Nonprofit Confirmation

The screenshot shows a browser window with the Tennessee Department of State website. The main heading is "YOU HAVE THE POWER...KNOW HOW TO USE IT". Below this, the address is listed as 2401 WHITE AVENUE NASHVILLE TN 37204, and the contact person is Ms. CATHY GURLEY with phone number (615) 292-7027 and website www.yhpb.org. The status is "Active" with CO Number: CO2670, Registration Date: 10/25/1995, and Renewal Date: 06/30/2023. A "Purpose" section states: "To fund the mission of YHTP - to give resource information assistance to victims of crime, to create educational resource materials to be used across the Nation to raise awareness about crime and justice issues, to present community education about crime and justice, to fund our work with incarcerated men and women, on victim impact in prisons to reduce recidivism." At the bottom, there are counts for Financials (26), Officers (6), and Charity Events (0).

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
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**E. Annual audit conducted by an independent CPA in accordance with generally
accepted auditing standards**

**You Have the Power...
Know How to Use It, Inc.**

Financial Statements
For the Years Ended December 31, 2021 and 2020

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YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Financial Statements
For the Years Ended December 31, 2021 and 2020

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**



Independent Auditor's Report

Board of Directors
You Have the Power...Know How to Use It, Inc.

Opinion

We have audited the financial statements of You Have the Power...Know How to Use It, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2021 and 2020, 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 Organization as of December 31, 2021 and 2020, 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 audits. 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 issued or available to be issued.

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, intentional 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.

Brentwood • Dickson • Goodlettsville | TN
Mt. Juliet • Murfreesboro • Nashville

www.bcpas.com

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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.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
November 7, 2022



**Grant contract between the Metropolitan Government of Nashville and Davidson County and
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You Have the Power...Know How to Use It, Inc.
Statements of Financial Position
December 31, 2021 and 2020

	2021	2020
Assets		
Current assets		
Cash	\$ 121,088	\$ 90,180
Short-term investment	20,460	20,460
Grants receivable	8,232	10,811
Accounts receivable	-	4,838
Prepaid expenses	4,100	4,000
Inventory	<u>3,364</u>	<u>3,484</u>
Total current assets	157,244	133,773
Office equipment	21,559	21,559
Less: accumulated depreciation	<u>(16,252)</u>	<u>(15,720)</u>
Office equipment, net	5,307	5,839
Intangible asset	3,868	3,868
Less: accumulated amortization	<u>(2,413)</u>	<u>(2,095)</u>
Intangible asset, net	1,455	1,773
Total assets	\$ 164,006	\$ 141,385
Liabilities and Net Assets		
Accounts payable	\$ 337	\$ 293
Net assets		
Without donor restrictions	95,049	103,839
With donor restrictions	<u>68,620</u>	<u>37,253</u>
Total net assets	<u>163,669</u>	<u>141,092</u>
Total liabilities and net assets	\$ 164,006	\$ 141,385

See notes to financial statements

3

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Statement of Activities
For the Year Ended December 31, 2021

	Without donor restrictions	With donor restrictions	Total
Support and Revenues			
Contributions	\$ 193,567	\$ -	\$ 193,567
Grants	200,675	44,550	245,225
Special events	67,136	-	67,136
Program	665	-	665
Interest income	4	-	4
Miscellaneous income	3,037	-	3,037
Net assets released from restrictions	<u>13,183</u>	<u>(13,183)</u>	<u>-</u>
Total support and revenues	478,267	31,367	509,634
Expenses			
Program services	401,773	-	401,773
Supporting services			
Management and general	47,474	-	47,474
Fundraising	<u>37,810</u>	<u>-</u>	<u>37,810</u>
Total supporting services	<u>85,284</u>	<u>-</u>	<u>85,284</u>
Total expenses	487,057	-	487,057
Change in net assets	(8,790)	31,367	22,577
Net assets, beginning of year	<u>103,839</u>	<u>37,253</u>	<u>141,092</u>
Net assets, end of year	\$ 95,049	\$ 68,620	\$ 163,669

See notes to financial statements

4

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Statement of Activities
For the Year Ended December 31, 2020

	Without donor restrictions	With donor restrictions	Total
Support and Revenues			
Contributions	\$ 196,203	\$ -	\$ 196,203
Grants	156,187	18,445	174,632
Special events	54,014	-	54,014
Program	909	-	909
Interest income	281	-	281
Net assets released from restrictions	<u>16,263</u>	<u>(16,263)</u>	<u>-</u>
Total support and revenues	423,857	2,182	426,039
Expenses			
Program services	346,989	-	346,989
Supporting services			
Management and general	43,686	-	43,686
Fundraising	<u>37,289</u>	<u>-</u>	<u>37,289</u>
Total supporting services	<u>80,975</u>	<u>-</u>	<u>80,975</u>
Total expenses	427,964	-	427,964
Change in net assets	(4,107)	2,182	(1,925)
Net assets, beginning of year	<u>107,946</u>	<u>35,071</u>	<u>143,017</u>
Net assets, end of year	\$ 103,839	\$ 37,253	\$ 141,092

See notes to financial statements

5

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2021

	Program services	Supporting services		Total
		Management and general	Fundraising	
Salaries and related expenses	\$ 202,742	\$ 25,308	\$ 25,309	\$ 253,359
Advertising	9,340	-	3,079	12,419
Amortization	-	318	-	318
Depreciation	1,482	225	242	1,949
Event expense	4,951	-	913	5,864
Insurance	-	2,323	-	2,323
Maintenance	5,450	213	1,104	6,767
Postage	386	236	-	622
Printing and publications	10,218	887	-	11,105
Professional services	41,254	9,787	2,828	53,869
Rent	22,640	2,824	2,824	28,288
Supplies	98,053	3,116	152	101,321
Taxes, licenses, and fees	375	728	1,142	2,245
Telephone	1,599	200	200	1,999
Travel	722	108	17	847
Video production	-	-	-	-
Miscellaneous	2,561	1,201	-	3,762
	\$ 401,773	\$ 47,474	\$ 37,810	\$ 487,057

See notes to financial statements

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program services	Supporting services		Total
		Management and general	Fundraising	
Salaries and related expenses	\$ 196,674	\$ 24,584	\$ 24,601	\$ 245,859
Amortization	-	318	-	318
Depreciation	2,128	266	266	2,660
Event expense	2,571	-	563	3,134
Insurance	-	2,084	-	2,084
Maintenance	6,027	638	1,105	7,770
Postage	395	110	165	670
Printing and publications	6,043	1,038	-	7,081
Professional services	41,043	8,877	6,935	56,855
Rent	22,005	2,734	2,734	27,473
Supplies	65,767	1,852	122	67,741
Taxes, licenses, and fees	698	732	595	2,025
Telephone	1,624	203	203	2,030
Travel	263	81	-	344
Video production	143	-	-	143
Miscellaneous	1,608	169	-	1,777
	\$ 346,989	\$ 43,686	\$ 37,289	\$ 427,964

See notes to financial statements

7

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash, beginning of year	\$ 90,180	\$ 81,452
Cash flows from operating activities		
Change in net assets	22,577	(1,925)
Adjustments to reconcile change in net assets (deficits) to net cash provided (used) by operating activities:		
Amortization	318	318
Depreciation	1,949	2,660
Change in:		
Grants receivable	2,579	15,350
Accounts receivable	4,838	(4,004)
Prepaid expenses	(100)	-
Inventory	120	(2,089)
Accounts payable	45	(28)
Net cash provided (used) by operating activities	<u>32,326</u>	<u>10,282</u>
Cash flows from investing activities		
Purchase of office equipment	(1,418)	(1,280)
Interest reinvested in investments	-	(274)
Net cash provided (used) by investing activities	<u>(1,418)</u>	<u>(1,554)</u>
Net change in cash	<u>30,908</u>	<u>8,728</u>
Cash, end of year	\$ 121,088	\$ 90,180

See notes to financial statements

8

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 1. Organization and Nature of Activities

You Have the Power...Know How to Use It, Inc. (the Organization) was incorporated in 1995 as a Tennessee not-for-profit corporation to operate as a direct-support organization to receive, hold, invest, and administer assets and to make expenditures to and for the benefit of public education. The Organization educates the public about issues related to violent crimes, and victim's rights, and heightens public awareness about the resources available to them in regard to such issues. The Organization is supported primarily through donor contributions and grants.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with US GAAP, which requires 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. The Organization had no net assets with perpetual restrictions at December 31, 2021 and 2020.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash consists principally of checking and savings account balances with financial institutions.

Investment

The Organization routinely invests excess cash on hand in a certificate of deposit. A certificate of deposit with an original maturity of greater than 90 days and less than one year is classified in the statements of financial position as a short-term investment.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies

Cost Reimbursement Grants

Cost reimbursement grants are earned and reported as revenues of the applicable grant when the Organization has incurred expenses and are treated as exchange transactions. Expenses incurred for grant funds, which have not been received at year-end, are reported as grants receivable.

Inventory

Inventory consists of items donated for auction at a future special event to be held by the Organization. Items are stated at estimated fair value.

Office Equipment and Depreciation

The Organization capitalizes all costs in excess of \$500 for office equipment. Donated office equipment is recorded at its estimated fair value at the date of the gift. Depreciation is provided over the assets' estimated useful lives of 5 to 10 years using the straight-line method.

Expenditures for maintenance and repairs are expensed when incurred. Expenditures for renewals and betterments are capitalized. When equipment is retired or sold, the cost and related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statements of activities.

Intangible Asset

During 2012, the Organization created a trademark. Legal fees incurred to submit the application and related documents to the United States Trademark Office for this trademark have been capitalized. Direct expenses incurred to establish the trademark in 2012 were capitalized. Amounts paid to renew or extend the trademark's life are capitalized as incurred. Management has determined that the trademark has a finite life of 15 years and will be amortized on a straight-line basis over that period.

Contributions and Other Grants

Contributions and other grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions and other grants that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies

Donated Goods and Services

Donated goods are recorded as in-kind contributions in the period received at their estimated fair value, if there is an objective and measurable basis for determining such value.

Donated services are recognized if they create or enhance nonfinancial assets or the donated services requires specialized skills, was performed by a donor who possess such skills, and would have been purchased by the Organization, if not donated. Such services are recognized at estimated fair value as support and expense in the period the services were performed.

The value of donated goods and services included in support and revenues in the statements of activities for the years ended December 31 are as follows:

	2021	2020
Event expenses	\$ 17,263	\$ 10,464
Professional services	<u>27,057</u>	<u>25,769</u>
	\$ 44,320	\$ 36,233

A number of unpaid volunteers have made contributions of their time to assist the Organization in various ways. The value of contributed time is not reflected in these financial statements since it is not susceptible to objective measure or valuation.

Income Taxes

The Organization is exempt from income tax under Internal Revenue Code (IRC) section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Video Production

The Organization incurs significant costs to produce videos. These videos are used in forums to educate the public and are sold at or below cost to organizations that use the videos for educational purposes. Under US GAAP, film costs related to the production of a film are reported as a separate asset on the Organization's statements of financial position. This asset is amortized using the individual-film-forecast-computation method, which amortizes such costs in the same ratio that current period actual revenue bears to estimate remaining unrecognized ultimate revenue as of the beginning of the year. Management has determined that the cost of complying with this requirement exceeds the benefit that would be received and accordingly expenses production costs as incurred.

Advertising Costs

The Organization expenses all advertising costs as they are incurred. The advertising expense for years ended December 31, 2021 and 2020 are \$12,419 and \$0, respectively.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies

PPP Loan

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. The Organization received a loan in accordance with the Paycheck Protection Program (PPP) section of the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). US GAAP provides organizations with two alternatives for reporting the loan and any future forgiveness: 1) proceeds can be treated as debt and future forgiveness recognized as income when the loan or any portion thereof is formally discharged; or 2) proceeds can be treated as a conditional contribution where they recognize a refundable advance and derecognize the liability, and recognize income, as the conditions for forgiveness are substantially met or explicitly waived. The Organization has elected to treat the PPP loan as a conditional contribution and is reported in contributions in the accompanying statement of activities for the years ended December 31, 2021 and 2020.

Reclassifications

Certain reclassifications have been made to the 2020 financial statements to make them comparable to the 2021 financial statement presentation.

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 program or supporting services based on objectively evaluated financial and nonfinancial data or reasonable subjective methods determined by management.

The expenses that are allocated include the following:

	Method of allocation
Salaries and related expenses	Time and effort
Depreciation	Square footage
Event expense	Time and effort
Maintenance	Time and effort
Postage	Time and effort
Printing and publication	Time and effort
Professional services	Time and effort
Rent	Time and effort
Supplies	Time and effort
Taxes, licenses, and fees	Time and effort
Telephone	Time and effort
Travel	Time and effort
Miscellaneous	Time and effort

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 3. Availability and Liquidity

The following represents the Organization's financial assets at December 31:

	2021	2020
Financial assets		
Cash	\$ 121,088	\$ 90,180
Short-term investment	20,460	20,460
Grants receivable	10,811	10,811
Accounts receivable	<u>-</u>	<u>4,838</u>
Total financial assets at year-end	149,780	126,289
Less amounts not available to be used within one year		
Net assets with donor restrictions	68,620	37,253
Net assets with purpose restrictions to be met in less than a year	<u>(68,620)</u>	<u>(37,253)</u>
	-	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 149,780	\$ 126,289

Note 4. Lease Commitments

The Organization leases office space through an operating lease that expired in 2021 and is currently under a month to month agreement. Lease expense related to the office space is included in rent expense and amounted to \$24,000 for the years ended December 31, 2021 and 2020.

The Organization pays a portion of operating costs associated with the property in addition to the monthly lease payment. These amounts may vary.

Note 5. Net Assets with Donor Restrictions

Net assets with donor restrictions were as follows for the years ended December 31:

	2021	2020
Video production and salaries	\$ 5,285	\$ 11,059
Youth workshops	39,411	22,000
Other	<u>23,924</u>	<u>4,194</u>
	\$ 68,620	\$ 37,253

Note 6. Concentration of Revenue Sources

During 2021 and 2020, the Organization received approximately 19% and 25% of its total support and revenues from a single donor.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023**

You Have the Power...Know How to Use It, Inc.
Notes to Financial Statements
For the Years Ended December 31, 2021 and 2020

Note 7. PPP Loan

In 2021 and 2020, the Organization received loans in the amounts of \$47,560 and \$41,659 in accordance with the PPP section of the CARES Act. Under this loan program, the Organization may be eligible for forgiveness of some portion of the loan up to 100%, if and when qualifying conditions are met. Accounting for the loan and any future forgiveness could have an impact on future financial reporting. As of the report date, management is actively monitoring qualifying conditions to maximize future loan forgiveness and has expended 100% on potential qualifying costs as defined by the legislation. The Organization received full forgiveness of these loans and have recognized the amounts in contribution revenue for 2021 and 2020.

Note 8. Subsequent Events

Management has evaluated subsequent events through November 7, 2022, the date on which the financial statements were available for issuance.

Grant contract between the Metropolitan Government of Nashville and Davidson County and YOU HAVE THE POWER...KNOW HOW TO USE IT, INC., Contract # _____; May 3, 2023

F. Non-profit Grants Manual Receipt Acknowledgement

DocuSign Envelope ID: B11F826A-0E08-479D-884C-FE1EC949843B



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

**Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement**

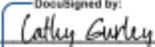
Recipient Name You Have the Power

May 3, 2023

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following: [Non-Profit Grant Resources](#)
- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non-Profit Grants Manual.
- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

DocuSigned by:

 Signature of Authorized Representative
 Name: Cathy Gurley
 Title: CEO
 Agency Name: You Have the Power
 Date: 5/3/2023

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

**GRANT CONTRACT
BETWEEN
THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AND
YOUTH ENCOURAGEMENT SERVICES, INC.**

This Grant Contract issued and entered into pursuant to Resolution RS2023 _____, by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and Youth Encouragement Services, Inc. ("Recipient" or "Y.E.S."), is for the provision of South Nashville Community Safety programs, as further defined in the "SCOPE OF PROGRAM". Additional documents including Recipient's audit are incorporated herein by reference as attachments A-F.

A. SCOPE OF PROGRAM:

A.1. The Recipient will use the grant funds as follows:

Recipient will assist the Metro Nashville Mayor's Office in implementing a program focusing on Engaging and Supporting Youth by providing comprehensive services that support whole-child development and advance youth development through meeting basic needs and direct program service hours that improve literacy skills, physical health, and Social Emotional Learning (SEL) skills:

Recipient will deliver high-quality afterschool programs to students who are primarily from low-income and food-insecure families that support social, emotional, cognitive, and academic development, reduce risky behaviors, promote physical health, and provide a safe and supportive environment for children and youth:

- **FOOD PROGRAM:** Deliver 4,200 meals to students who are primarily from low-income and food-insecure families.
- **ACADEMIC:** Provide STREAM tutoring for 2-5 graders and daily homework assistance and tutoring to improve literacy skills and attitudes towards reading.
- **SENSORY ACTIVITIES:** Incorporate visual, aural auditory, verbal, kinesthetic, logical, social, and solitary learning styles into the programming to make lifelong learners and readers.
- **SOCIAL & SPIRITUAL:** Provide trauma-informed weekly programming that helps develop SEL skills for youth in partnership with Girls, Inc., AMEND Together, and Small World Yoga.
- **MENTORING:** Pair 10 mentors with students and offer ongoing engagement at a variety of levels to build confidence, link positive role models, and encourage educational and personal development.
- **ATHLETIC:** Train youth team athletics, improve self-esteem, and teach discipline and sportsmanship within a supportive environment, reaching over 150 kids from 8 community programs.
- **SAFETY:** Consistent programs that increase self-awareness, improve self-esteem, promote positive social skills, problem solving, and teamwork to reduce youth violence/aggression.

Recipient will utilize grant funds to cover expenditures for staff salaries, transportation, meals, academic supplies, athletic equipment, mentor training, and program supplies.

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

- A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachments A and B. 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 commence on May 17, 2023 and end on June 30, 2024. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed forty-eight thousand dollars (\$48,000). 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.

Recipient may invoice for \$10,000 upon approval of the Grant Contract.

Recipient may invoice monthly for up to \$3,166.66.

Receipts must be made available for all claimed expenses.

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, 2024. 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 Annual Expenditure Report, to be received by Mayor's Office of Community Safety, within 45 days of the end of the Grant Contract. Said report must be in form and substance acceptable to Metro and must be

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

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.
- 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.
- C.9. **Grant Subject to Availability of Funds.** This Grant Contract is subject to the availability of funds. In the event that funds are unavailable, Metro reserves the right to terminate this Grant Contract upon provision of written notice to Recipient. Metro's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by Metro. Upon provision of written notice to Recipient, Recipient shall cease all work associated with this Grant Contract. Recipient shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date.
- 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

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

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. 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. **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.5. **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.6. **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 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.7. **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.8. **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.9. **Reporting.** The Recipient must submit an Interim Program Report, to be received Mayor's Office of Community Safety, by no later than February 17, 2024, and a Final Program Report, to be received by Mayor's Office of Community Safety, 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.10. **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.

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

- D.11. **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.12. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.
- D. 13. **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. 14. **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.15. **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 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.16. **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.17. **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.

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

- D.18. **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.19. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.
- D.20. **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. 21. **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.22. **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 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 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.23. **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

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201
(615) 492-1932

For enquiries regarding invoices:
Mayor's Office of Community Safety
1 Public Square,
Nashville, TN 37201 %
(615) 492-1932

Recipient

Viva Price, Executive Director
Youth Encouragement Services, Inc.
11 Lindsley Avenue
Nashville, TN 37210
(423) 605-4130

D.24. 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.

D.25. 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;

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

- 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.26. **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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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:**

**RECIPIENT: YOUTH ENCOURAGEMENT
SERVICES, INC**

APPROVED AS TO AVAILABILITY OF
FUNDS:

DocuSigned by:
By: Viva Price
493FAC42307247B...

Title: Viva Price, Executive Director

Kelly Flannery/mjw A P
Director of Finance

Date: 5/3/2023

APPROVED AS TO FORM AND
LEGALITY

Courtney Mohan
Metropolitan Attorney

FILED IN THE OFFICE OF THE CLERK:

Metropolitan Clerk

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

TABLE OF CONTENTS OF ATTACHMENTS

- A. Grant Spending Plan
- B. Spending Plan Addendum
- C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation
- D. Tennessee Secretary of State Nonprofit Confirmation
- E. Annual audit conducted by an independent CPA in accordance with generally accepted auditing standards
- F. Non-profit Grants Manual Receipt Acknowledgment

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

A. Grant Spending Plan

RECIPIENT NAME:	Youth Encouragement Services, Inc.
------------------------	------------------------------------

THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD: May 17, 2023 – June 30, 2024				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	\$20,000		\$20,000
	Benefits and Taxes (%)	\$0		\$0
	Professional Fees	\$600		\$600
	Supplies	\$7,400		\$7,400
	Communications	\$0		\$0
	Postage and Shipping	\$0		\$0
	Occupancy	\$0		\$0
	Equipment Rental and Maintenance	\$0		\$0
	Printing and Publications	\$0		\$0
	Travel/ Conferences and Meetings	\$0		\$0
	Insurance	\$0		\$0
	Specific Assistance to Individuals	\$0		\$0
	Other Non-Personnel	\$20,000		\$20,000
	GRAND TOTAL	\$48,000		\$48,000

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

B. Spending Plan Addendum

OTHER NON-PERSONNEL: 15-PASSENGER SHUTTLE \$20,000

Y.E.S offers transportation to and from after school programs to ensure that those who need services the most can access them. However, the Carpenter's Square Center only has two operational vehicles. Currently, only 30 children can be shuttled home. Funds would be used to purchase a new 15-passenger shuttle from the University of TN Center for Transportation Research with a zero-interest loan. A new vehicle costs \$53,280. There are no used vehicles in stock. This grant funding would cover a portion of the cost for the new shuttle.

SALARIES & WAGES: CENTER DIRECTOR \$20,000

The budget includes expenditure for a portion of the salary of the Center Director, as set by Y.E.S. Thirty-five percent of the annual salary will be applied. This position is responsible for the direction and implementation of all youth programming (K-12th grade) and personnel at the Center. The Center Director's responsibilities include:

- Plan and supervise daily activities for children—all programming, chapel, meals
- Communicate regularly with parents and maintain all necessary enrollment forms, permission slips, and attendance records
- Maintain proper discipline of children
- Train and supervise after-school and summer interns
- Recruit, train and thank the volunteers
- Supervise transportation of children to and from all programming as necessary

\$2000 x 10 months

PROFESSIONAL FEES: SMALL WORLD YOGA \$600

Y.E.S.'s budget includes \$600 to be used for the payment of 30 sessions with Small World Yoga to provide yoga classes for teenagers and elementary-school-aged children.

30 sessions @ \$20 each

SUPPLIES: \$7,400

Supplies include play equipment, general program supplies, food & cleaning supplies, enrichment activities, and field trips.

Supplies \$616.67 x 12 months.

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

C. Internal Revenue Service 501(c)(3) Tax-Exempt Organization Documentation


IRS Department of the Treasury
 Internal Revenue Service
 P.O. Box 2508
 Cincinnati OH 45201

In reply refer to: 0248559680
 Aug. 03, 2009 LTR 4168C E0
 62-0570681 000000 00
 00021830
 BODC: TE

YOUTH ENCOURAGEMENT SERVICES INC
 521 MCIVER ST
 NASHVILLE TN 37211-2322

Employer Identification Number: 62-0570681
 Person to Contact: Ms Schadler
 Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of July 23, 2009, regarding your tax-exempt status.

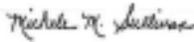
Our records indicate that a determination letter was issued in April 1959, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,


 Michele M. Sullivan, Oper. Mgr.
 Accounts Management Operations I

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

D. Tennessee Secretary of State Nonprofit Confirmation

Tennessee Secretary of State
Tre Hargett



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

November 28, 2022

Ms. VIVA PRICE
3016 NOLENSVILLE PIKE
NASHVILLE, TN 37211

RE: Registration to Solicit Funds for Charitable Purposes
Organization Name: YOUTH ENCOURAGEMENT SERVICES
CO Number: CO1599
Renewal Date: 06/30/2023

Dear Ms. VIVA PRICE :

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 <https://sos.tn.gov/charities>. 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,

A handwritten signature in black ink that reads "Tre Hargett".

Tre Hargett
Secretary of State

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**E. Review of financial statements conducted by an independent CPA in accordance
with generally accepted auditing standards**

YOUTH ENCOURAGEMENT SERVICES, INC.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2021

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.

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Statement of Cash Flows	8
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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Youth Encouragement Services, Inc.
Nashville, Tennessee

We have audited the accompanying financial statements of Youth Encouragement Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Basis for Qualified Opinion

As more fully described in Note 1 to the financial statements, certain land and buildings are stated at estimated appraisal value as of December 31, 1994 in the accompanying statement of financial position. Also, depreciation expense has not been recorded for all years in which the buildings have been in service. In our opinion, such assets should be stated at acquisition cost, net of depreciation on buildings, to conform with accounting principles generally accepted in the United States of America. The effects on the financial statements of the preceding practices are not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of valuing land and buildings at appraisal value, as discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Youth Encouragement Services, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Youth Encouragement Services, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

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 generally accepted auditing standards 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, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, 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 Youth Encouragement Services, Inc.'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 Youth Encouragement Services, Inc.'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.

Bellenfant, PLLC

Nashville, Tennessee
August 31, 2022

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	\$ 744,614
Investments	130,454
Accounts Receivable	<u>53,926</u>
Total Current Assets	<u>928,994</u>
PROPERTY AND EQUIPMENT	
Land	106,236
Land Improvements	8,671
Buildings	3,205,504
Furniture, Fixtures, and Equipment	30,916
Vehicles	<u>197,716</u>
Less: Accumulated Depreciation	<u>(603,860)</u>
Property and Equipment, net	<u>2,945,183</u>
Total Assets	<u><u>\$ 3,874,177</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 33,354
Note Payable, current portion	<u>12,480</u>
Total Current Liabilities	<u>45,834</u>
LONG-TERM LIABILITIES	
Note Payable, noncurrent portion	<u>61,360</u>
Total Long-Term Liabilities	<u>61,360</u>
Total Liabilities	<u>107,194</u>
NET ASSETS	
Net Assets Without Donor Restrictions	3,656,983
Net Assets With Donor Restrictions	<u>110,000</u>
Total Net Assets	<u>3,766,983</u>
Total Liabilities and Net Assets	<u><u>\$ 3,874,177</u></u>

The independent auditor's report and accompanying notes are integral parts of these statements.

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Public Support:			
In-Kind Donations	\$ 134,090	\$ -	\$ 134,090
Contributions	682,485	-	682,485
Grants	124,961	68,500	193,461
Christmas Store	48,272	-	48,272
Registration Fees	20,871	-	20,871
Total Public Support	1,010,679	68,500	1,079,179
Other Revenue:			
Gain on Disposal of Property	1,101,390	-	1,101,390
PPP Loan Forgiveness	65,608	-	65,608
Other Income	36,625	-	36,625
Interest	748	-	748
Investment Gain (Loss)	8,235	-	8,235
Net assets released from restrictions	68,500	(68,500)	-
Total Revenue	\$ 2,291,785	\$ -	\$ 2,291,785
EXPENSES			
Program Services	\$ 925,070	\$ -	\$ 925,070
Management and General	223,317	-	223,317
Fundraising	46,611	-	46,611
Total Expenses	1,194,998	-	1,194,998
Change in Net Assets	1,096,787	-	1,096,787
Net Assets, beginning of the year	2,560,196	110,000	2,670,196
Net Assets, end of the year	\$ 3,656,983	\$ 110,000	\$ 3,766,983

The independent auditor's report and accompanying notes are integral parts of these statements.

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**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Inner City Centers	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and Wages	\$ 274,175	\$ 274,175	\$ 94,079	\$ 29,698	\$ 123,777	\$ 397,952
Employee Benefits	20,908	20,908	6,679	2,671	9,350	30,258
Payroll Taxes	18,645	18,645	6,963	2,272	9,235	27,880
Housing Allowance	25,000	25,000	-	-	-	25,000
Program Materials	87,765	87,765	786	-	786	88,551
Fundraising Activities	-	-	2,309	11,456	13,765	13,765
Vehicles	6,084	6,084	952	-	952	7,036
Repairs and Maintenance	52,895	52,895	6,008	-	6,008	58,903
Utilities	55,595	55,595	8,904	-	8,904	64,499
Insurance	28,332	28,332	27,741	-	27,741	56,073
Professional Services	101,171	101,171	22,115	-	22,115	123,286
Depreciation	107,510	107,510	-	-	-	107,510
In-Kind	134,090	134,090	-	-	-	134,090
Office Expenses	7,372	7,372	2,523	118	2,641	10,013
Office Supplies	3,528	3,528	18,747	-	18,747	22,275
Banking Fees	-	-	4,777	-	4,777	4,777
Travel, Meals, and Entertainment	-	-	184	-	184	184
Interest	-	-	17,968	-	17,968	17,968
Equipment and Computers	2,000	2,000	2,582	396	2,978	4,978
Total Expenses	\$ 925,070	\$ 925,070	\$ 223,317	\$ 46,611	\$ 269,928	\$ 1,194,998

The independent auditor's report and accompanying notes are integral parts of these statements.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 1,096,787
Investment (Gain) Loss	(8,235)
(Gain) on Disposal of Property	(1,101,390)
Adjustments to reconcile change in net assets to net cash provided (used) by operations:	
Depreciation	107,510
(Increase) Decrease in: Accounts Receivable	228,153
Increase (Decrease) in: Accounts Payable and Accrued Expenses	<u>18,159</u>
Net Cash Provided (Used) by Operating Activities	<u>340,984</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Sale (Purchase) of Property and Equipment	<u>1,101,756</u>
Net Cash Provided (Used) by Investing Activities	<u>1,101,756</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Payments on Line of Credit	(85,321)
PPP Loan Forgiveness	(65,608)
Payments on Note Payable	<u>(635,659)</u>
Net Cash Provided (Used) by Financing Activities	<u>(786,588)</u>
Net Increase (Decrease) in Cash	656,152
Cash and Cash Equivalents, beginning of the year	<u>88,462</u>
Cash and Cash Equivalents, end of the year	<u>\$ 744,614</u>

The independent auditor's report and accompanying notes are integral parts of these statements.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

Youth Encouragement Services (the "Organization") was incorporated as a nonprofit entity for the purpose of providing programs for the benefit of children who reside in the inner city. The Organization is funded primarily through contributions from corporations, individuals, and churches.

Program Services:

Inner City

Each day, youth development and enrichment programming is provided for students who reside in high-need, urban communities. Centers are designed to provide a safe place for children to grow spiritually, academically, physically, and socially. Comprehensive programs including tutoring assistance, literacy and financial literacy initiatives, mentoring, organized recreational sports, and cultural experiences help support school aged youth in K-12th grade.

Camp

A summer camp is hosted in Robertson County, Tennessee for children who reside in high-risk communities.

Financial Statement Presentation

The financial statements of the Organization are presented on the accrual basis of accounting. Revenue is generally recognized when earned. Expenses are generally recognized when incurred.

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Presentation of Financial Statements of Not-for-Profit Organizations. Under the FASB Accounting Standards Codification, the Organization is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - These are net assets that are not subject to donor-imposed stipulations. The Organization had \$3,656,983 of net assets without donor restrictions as of December 31, 2021.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Net assets with donor restrictions - These are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. This classification also includes net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally, donors of these assets permit the Organization to use all or part of the income earned for general or specific purposes. The Organization had \$110,000 of net assets with donor restrictions as of December 31, 2021.

Revenue Recognition

The Organization accounts for contributions in accordance with the requirements of the FASB Accounting Standards Codification Revenue Recognition Topic. In accordance with the FASB Accounting Standards Codification, contributions received are recorded depending on the existence or nature of any donor restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash funds, cash bank accounts and highly liquid debt instruments with an original maturity when purchased of twelve months or less to be cash and cash equivalents. The cash accounts are held primarily by financial institutions and at times may exceed amounts that are federally insured.

Investments

The Organization accounts for investments in accordance with FASB Accounting Standards Codification topic relating to Accounting for Certain Investments Held by Not-for-Profit Organizations. Under FASB Accounting Standards Codification, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair market values in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

Investment income and unrealized gains and losses are reported as changes in unrestricted net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are reported.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Land and buildings amounting to \$106,236 and \$166,812, respectively, are recorded at estimated appraised value as of December 31, 1994. Property and equipment acquired subsequent to December 31, 1994 are recorded at acquisition cost. Depreciation of property and equipment has been provided since June 30, 1990, over the estimated useful lives of the respective assets primarily on a straight-line basis.

Donated Materials, Services, and Assets

The following donations are reflected as contributions in the accompanying statements at their estimated values at the date of receipt for the year ended December 31, 2021:

Christmas Store	\$ 60,200
Executive Offices	<u>73,890</u>
Total In-Kind	<u>\$ 134,090</u>

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

A number of unpaid volunteers have made significant contributions of their time to assist in fund-raising and special projects. The Organization estimates receipt of approximately 1,712 volunteer hours for the year ended December 31, 2021. However, these services do not meet the requirements above and have not been recorded in the accompanying financial statements.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donors. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization has qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation.

The Organization has evaluated its tax positions in accordance with the Codification Standard relating to Accounting for Uncertainty in Income Taxes. The Organization believes that it has taken no uncertain tax positions.

The Organization files a U.S. Federal Form 990-Return of Organization Exempt from Income Tax. The Organization's returns for the years prior to calendar year 2018 are no longer open for examination.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from estimates.

Restricted Endowment Funds

The Uniform Prudent Management Institutional Funds Act ("UPMIFA") was enacted in Tennessee effective July 1, 2007. The FASB Accounting Standards Codification provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the UPMIFA. It also requires disclosure of a description of the governing board's interpretation of the law that underlies the organization's net asset classification of donor-restricted endowment funds, a description of the organization's policies for the appropriation of endowment assets for expenditures (its endowment spending policies), a description of the organization's endowment investment policies, and additional disclosures not previously required.

2. FAIR VALUE OF INVESTMENTS

The Organization's investments are reported at fair value in the accompanying statements of financial position.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

2. FAIR VALUE OF INVESTMENTS (Continued)

	Fair Value Measurements at December 31, 2021			
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Sweep Balances	\$ 15,185	\$ 15,185	\$ -	\$ -
Mutual Funds	115,269	115,269	-	-
	\$ 130,454	\$ 130,454	\$ -	\$ -

The Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses the appropriate valuation techniques based on the available inputs to measure the fair value of its investments. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 2 Fair Value Measurements - The fair value of the investments are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly, or indirectly.

Level 3 Fair Value Measurements - The fair value of the investments are based on at least one significant unobservable input.

3. PPP LOAN FORGIVENESS

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and it was signed into law on March 27, 2020. The CARES Act implemented the Payroll Protection Program (PPP), which provides loans to small businesses and charitable organization to keep their employees on payroll. The Organization obtained a PPP loan for \$65,608 on April 28, 2020, and the loan has been forgiven in full as of July 14, 2021.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are held in perpetuity with the income from assets expendable to support certain programs. A summary of the net assets with donor restrictions as of December 31, 2021 is as follows:

General Endowment Fund	\$ 105,000
Ardell Whitehead Endowment Fund	5,000
	<u>\$ 110,000</u>

The interest earned on net assets with donor restrictions is available to the Organization on an unrestricted basis.

5. ENDOWMENT

The Organization's endowment consists of donor restricted gifts held primarily in investment accounts. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

Changes in Endowment Net Assets for the fiscal year ended December 31, 2021:

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 12,219	\$ 110,000	\$ 122,219
Investment return, net appreciation	<u>8,235</u>	<u>-</u>	<u>8,235</u>
Endowment net assets, end of year	<u>\$ 20,454</u>	<u>\$ 110,000</u>	<u>\$ 130,454</u>

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

5. ENDOWMENT (Continued)

Interpretation of Relevant Law

The Organization has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature did not exist as of December 31, 2021.

Endowment Investment Policy and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period.

Endowment Investment Policy and Risk Parameters (Continued)

Under the Organization's policy, as approved by the Board of Directors, endowment assets are invested primarily in equity securities.

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

**YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021**

5. ENDOWMENT (Continued)

Strategies Employed for Achieving Investment Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating dividend and interest income from the endowment fund as necessary to fund Organization programs provided the investment balance is greater than the original gift value. Specific agreements with donors for income taken relative to their specific endowment gifts are exempted.

6. NOTE PAYABLE

The Organization obtained two vans on November 11, 2021 in exchange for a note payable totaling \$74,880. The note does not accrue interest, and monthly installment payments of \$1,040 are required for six years. The balance as of December 31, 2021 is \$73,840.

Future required minimum payments are as follows:

2022	\$	12,480
2023		12,480
2024		12,480
2025		12,480
Thereafter		<u>23,920</u>
Total	<u>\$</u>	<u>73,840</u>

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
Youth Encouragement Services, Inc., Contract # _____; May 3, 2023**

YOUTH ENCOURAGEMENT SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

7. UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, the Organization has temporarily not been able to continue a portion of its activities. The extent to which these events will affect the amounts reported in future financial statements remains uncertain.

8. AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

Financial assets, at year-end	\$ 875,068
Less: assets unavailable for general expenditures within one year, due to donor-imposed restrictions	(110,000)
Less: unrestricted investments held within equity securities	<u>(20,454)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 744,614</u>

There is an adequate amount of financial assets available as of December 31, 2021. The Organization effectively manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

9. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 31, 2022, which is the date the financial statements were available to be issued.

Grant contract between the Metropolitan Government of Nashville and Davidson County and Youth Encouragement Services, Inc., Contract # _____; May 3, 2023

F. Non-profit Grants Manual Receipt Acknowledgement

DocuSign Envelope ID: 1209704E-44C0-4973-8A23-FDEF5A7F1B25



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

**Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement**

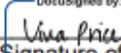
Recipient Name Youth Encouragement Services

May 3, 2023

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following: [Non-Profit Grant Resources](#)
- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non-Profit Grants Manual.
- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

DocuSigned by:

 Signature of Authorized Representative
 Name: Viva Price
 Title: Executive Director
 Agency Name: Youth Encouragement Services
 Date: 5/3/2023