



Nonprofit Infrastructure Capital Improvement Program (NICIP)

Frequently Asked Questions

This list is designed to answer many of the questions that Applicants may have about the Nonprofit Infrastructure Capital Improvement Program, (NICIP) administered by the Dormitory Authority State of New York (DASNY). If, after reviewing this list, the Applicant has additional questions email NICIP@dasny.org.

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Definitions:

Applicant – the Eligible Applicant (as outlined in the RFA) applying for NICIP Funds for a Project.

Authorized Officer – an individual who has the corporate authority to bind the entity into a contract.

Capital Costs –

- The construction, demolition, or replacement of a fixed asset;
- The major reconstruction or renovation of a fixed asset or assets which materially extends its useful life or materially improves or increases its capacity; or
- The planning or design of the construction, demolition, replacement or renovation of a fixed asset or assets, including the preparation and review of plans and specifications including engineering and other services, field surveys and sub-surface investigations incidental thereto.

Charities Registration Bureau – a division of the NYS Attorney General’s Office with which charitable Organizations operating in NYS are required to file annually, unless it is determined that they are exempt from doing so. More information can be found at https://www.charitiesnys.com/faqs_reg_new.html.

Document Vault – a secure online repository to store and share commonly requested documents which is managed by NYS Grants Management (“Grants Management”).

Eligible Applicant – an Applicant as described in the Section 2.1 of the NICIP Request for Grant Applications (“RFA”):

- “Human services Organization” shall mean an Applicant that provides direct programs and services in New York State that protect the health and well-being of individuals and families residing in New York State;
- “Direct services” shall mean prevention, intervention, respite and/or habilitative services that an Applicant provides directly to an individual/family or groups of individuals/families;
- An “Applicant” is an Organization that has its own unique Employer Identification Number, unique Taxpayer Identification Number, or a unique SFS Vendor Identification Number. The Organization must also be registered and prequalified as a separate Organization in the Grants Gateway to be eligible to apply for its own NICIP grant.

Eligible Project – a capital project as defined in the RFA.

Financial Documentation – copies of quotes, proposals, cost estimates or any other document from a qualified professional that will identify projects costs necessary to complete the project. If the cost estimate is higher than the value of the NICIP award, DASNY will need to see evidence of the other source(s) of funding for the project.

Funding Opportunity – The opportunity for Nonprofit Organizations to apply for NICIP funding as detailed in the Request for Applications (RFA) under the timeframe outlined.

Grant Disbursement Agreement (“GDA”) – the contract by and between DASNY and the Applicant.

Grantee – A Qualified Applicant who has received a fully executed GDA.

Organization – the Applicant entering into the contracts and paying the vendors, and who has control over the project location.

Grantee Certification – This document certifies that public funds will not be used to finance religious programs or programs that may favor one religion over another. As the issuer of the bonds that will finance the project to be funded with NICIP Funds, DASNY must verify that it is in compliance with all applicable Federal and State laws and regulations. This certification should accurately state the purposes for which the NICIP Funds will be used and must be signed by two Authorized Officers.

Grantee Questionnaire (“GQ”) – DASNY needs to be certain that grant funds are paid only to Organizations that are deemed to be responsible entities. Full and accurate responses on the GQ will help to achieve this goal. A request will be made to obtain two Authorized Officer names and email addresses so that the GQ may be sent through DocuSign. The GQ is required in order to complete the review process and will be incorporated into the GDA. The submission of false information on the GQ could be a violation of Federal and State Penal Laws. **NOTE: the GQ should be completed under the Legal Name of Organization.**

Incorporation Documentation – articles of incorporation (including any amendments) or a charter necessary to verify eligibility under NICIP and to verify that the Organization is authorized to do business in the State of New York. If the Organization has a D/B/A, that should also be provided.

Legal Name – Applicant’s name as listed on the Incorporation Documentation) and which:

- matches the name on file with the IRS and corresponds to the Organization’s Federal Employer Identification Number (“FEIN”);
- includes or excludes, where applicable, ‘Inc.’, ‘LLC’, ‘The’, etc.; and
- does not employ acronyms for shorthand.

Positive Pay – a fraud-prevention system offered by most commercial banks.

Project Certification – As the issuer of the bonds that will finance the project to be funded with NICIP Funds, DASNY must verify that the Applicant and the Grant funded project are in compliance with all applicable Federal and State laws and regulations. This document certifies that the project will be in compliance with various relevant statutory provisions and must be signed by an Authorized Officer.

Qualified Applicant – A NICIP Applicant who has received a passing score and whose project has been advanced to DASNY review.

Short Term Debt/Bridge financing – debt that is expected to be paid off within one year and is incurred to pay for project costs until such time as Grant funds become available.

Site Control – a deed, lease, or other document showing that the Applicant has sufficient authorization and control to undertake the project at the project location(s).

W-9 Form – an IRS document utilized to set up the Applicant as a vendor/payee in DASNY’s financial system. The Organization’s FEIN is required to make payment. **NOTE: The Applicant’s Legal Name and FEIN on the W-9 should match the Legal Name and FEIN on file with the Internal Revenue Service as well as in its Incorporation Documents and all documents required to be uploaded to the Applicant’s Document Vault, and those submitted for review by DASNY.**

NICIP Funds – Nonprofit Infrastructure Capital Improvement Program funds made available by the State of New York.

I. Process Questions

A. Questions Regarding DASNY’s Role in Administering NICIP

Q.A1: What is DASNY’s role in administering NICIP?

A.A1: DASNY undertakes a review of each Qualifying Applicant to ensure that the Applicant is eligible to receive NICIP Funds, and the project can be financed with the proceeds of DASNY bonds. Once the Application has been fully reviewed for all relevant criteria, DASNY will enter into a GDA with each Applicant. Once the GDA is fully executed, DASNY will process requisitions for eligible costs upon submission of certified requisitions by the Grantee.

B. Questions Regarding Information Needed Prior to Submitting a NICIP Application:

Q.B1: What should our Organization do first when applying for an opportunity?

A.B1: Each Organization will need to register and maintain a Document Vault in the Grants Management system. The Document Vault must be in prequalified status throughout the grant process, from application submission all the way through to GDA and reimbursement phase. **(Note: See Prequalification heading under Q.C1, below for more information on this.)**

Required Forms for Prequalification include:

1. IRS Determination Letter
2. Incorporation Documentation (including any amendments and D/B/As)
3. Most recent IRS Charities 990, 990EZ or 990-PF (ideally from 2021)
4. NYS Charities 410, if applicable
5. Organizational Bylaws
6. List of Organizational Board Members
7. Top Leadership Profiles
8. Recent Organizational Financial Statement

For additional information on the Grants Management requirements and processes, prospective Applicants can contact GrantsGateway@its.ny.gov directly or view the following videos:

<https://grantsmanagement.ny.gov/videos-grant-applicants>
<https://grantsmanagement.ny.gov/videos-grant-applicants>

Q.B2: Why must our Organization provide a cost estimate?

A.B2: Applicants must demonstrate that they have a complete understanding of their project's total current cost and the funds that will be needed to complete the project. NICIP Funds will only be awarded for a project if it can be demonstrated that the project can be fully completed as proposed and within the mandated timeframe.

Q.B3: Our Organization has members with a variety of backgrounds in construction. Why must we submit a professional cost estimate?

A.B3: All construction estimates must be from either qualified licensed contractors or developed by a licensed engineer or architect and submitted on their letterhead. The contractor should not have the appearance of a conflict of interest.

For the purpose of equipment purchases, website vendor search pages are acceptable.

C. Qualifying Application Review Process

Q.C1: What happens after the applications are scored?

A.C1: DASNY will communicate to each Qualifying Applicant via email with the information required by DASNY. Once all the documents requested have been returned, a DASNY processor will be assigned to follow-up and coordinate all required reviews needed to obtain a GDA. Depending upon the complexity of the project, DASNY may request additional information or call the Applicant to discuss the project in more detail. Please note that all documentation must be provided electronically.

DASNY recommends that Qualifying Applicants do not start their projects until a fully executed GDA has been provided.

Generally, DASNY will undertake the following reviews for each grant:

General Overview:

DASNY reviews each project for compliance with NICIP enabling legislation and applicable tax laws. DASNY will also review documentation evidencing site control, corporate authority, evidence of committed funding to pay for the entire project as described, environmental reviews and other matters. During this review process, the Applicant will be asked to complete certain forms electronically and return them electronically to DASNY. Please do so promptly, as delays in returning these forms will delay the process and, ultimately, the disbursement of NICIP Funds to the Organization.

Prequalification:

Effective August 1, 2013, not-for-profit Organizations are required to register with Grants Management (<https://grantsmanagement.ny.gov/>) in order to receive NICIP Funds. State entities will post upcoming and available funding opportunities on this website. Grants Management will also provide Organizations a secure Document Vault to store and share commonly requested documents. **The Document Vault should be continuously monitored, amended when appropriate and must be in the prequalified status throughout the process including the payment phase.** DASNY will not be able to enter into a GDA with, or make payments to, any Applicants that are not prequalified in Grants Management system. DASNY does not have any discretion in this regard. Any questions regarding Grants Management and the Document Vault may be directed to [Grants Management](#) staff.

Incorporation Documentation:

Please note that, in order to verify that DASNY is entering into a GDA with the appropriate Organization and the Organization is eligible to do business in the State of New York, we will need to review the Applicant's Incorporation Documentation. If the Applicant has a D/B/A, DASNY will need a copy of the filed D/B/A certificate as well. **NOTE: The Applicant's Legal Name and FEIN on the W-9 should match the legal name and FEIN on file with the Internal Revenue Service as well as in its Incorporation Documents and all documents required to be uploaded to the Applicant's Document Vault, and those submitted for review by DASNY.**

If an Organization does not have Incorporation Documentation, then the Organization should contact DOS by calling (518) 473-2492 or submitting a question through the DOS portal at: [Copies of Corporation or Business Entity Documents | Department of State \(ny.gov\)](#).

If an Organization is incorporated in another state, then the Applicant must file a Certificate of Authority with DOS in order to be qualified to do business in the State of New York.

Site Control:

DASNY will need documentation to establish that the Applicant has appropriate site control of the premises where the NICIP-Funded project will occur and where NICIP funds will be spent. If the Organization owns the facility, DASNY will need to review the deed, which must be in Applicant's Legal Name. The Organization must own the property for a period of 10 years after NICIP Funds have been disbursed.

If the Applicant leases the facility, DASNY will need to review the lease, which must be executed in Organization's Legal Name. The term of the lease must be for at least five (5) years and extend for a reasonable period of time after the capital improvements funded by NICIP are scheduled to be completed. If a condition of the Lease is to obtain Landlord

permission prior to work being done, please be advised that Landlord permission is a term and condition of the GDA and therefore must be acquired prior to GDA execution.

In some circumstances, a lease term of less than five (5) years is acceptable where the NICIP funds will be utilized to purchase moveable equipment or furnishings. The equipment and furnishings must be received on site and must be housed at a location controlled by the Applicant, who must develop, implement, and maintain a usage and inventory policy.

Financial Review:

DASNY must verify the existence of committed funding resources sufficient to complete the project as described. Acceptable proof of such funding commitments may include the following: commitment letters from a bank or other lending institution; evidence of other grant awards; a board resolution committing funds to complete the project accompanied by recent audited financial statements; or other documentation acceptable to DASNY that confirms that funding exists to complete the project as proposed within the mandated timeframe.

Office of Environmental Affairs (OEA) Review

All NICIP-Funded projects are subject to the State Environmental Quality Review Act (SEQRA) and State Historic Preservation Act (SHPA). As needed, DASNY's Office of Environmental Affairs will reach out to coordinate and ensure these legislative requirements are met. **NOTE: reviews for certain NICIP-Funded projects can be completed internally by DASNY and would not require further action or documentation by the Applicant.**

Coordination with SHPO is required if the project building(s) or site(s) are eligible for, or listed on, the State and National Registers of Historic Places; if the building(s) or site(s) are considered a contributing element to a defined historic district; or are located in an area of archaeological sensitivity. The Applicant can find this information on the SHPO and NYS Department of Environmental Conservation (DEC) websites:

<https://parks.ny.gov/shpo/online-tools/> and <http://www.dec.ny.gov/eafmapper/>.

NOTE: consultation with SHPO may also be required for structures approaching 50 years old, and/or if the project involves ground disturbance/demolition.

Please provide DASNY with a copy of the determination letter from OPRHP once the consultation has been completed. **NOTE: the project must be filed in SHPO's Cultural Resource Information System (CRIS) to receive a determination letter.** SHPO will not issue a determination letter upon receipt of a Lead Agency Letter or email. The CRIS system can be found at: <https://parks.ny.gov/shpo/online-tools/cris/>

If there are any questions regarding SEQR or SHPO requirements, please direct these questions to grantsseqr@dasny.org.

Bond Counsel Review:

Once all documentation has been returned to DASNY, we will review it in consultation with our bond and tax counsel as needed. We may call the Applicant to discuss further. The timing of bond counsel reviews varies and is dependent upon the complexity of the project. Once it has been determined that the Applicant's project complies with relevant statutory provisions and all paperwork is in order, DASNY will forward a GDA to the Applicant electronically for execution.

Q.C2: Why must our Organization complete a form certifying that the NICIP Funds will not be used for programs that might have some religious components?

A.C2: It could be a violation to use public funds to finance religious programs or programs that may favor one religion over another. As the issuer of the bonds, DASNY must take great care to ensure that it is in compliance with all applicable Federal and State laws, including tax laws and regulations promulgated by the Securities and Exchange Commission.

Q.C3: Once a NICIP Application is deemed Qualified, is there a deadline for returning required documentation to DASNY?

A.C3: Yes, all Qualifying Applicants are required to work with DASNY to complete the required reviews within six months from the date the Application was deemed Qualified. Failure to do so will disqualify the Application and the funding opportunity will be forfeited.

D. Processing of the GDA

The GDA is the contract between DASNY and the Applicant setting forth the terms pursuant to which the NICIP Funds will be disbursed.

Organizations will be attesting in the GDA that:

All contractors and vendors retained to perform services in connection with the Project shall be authorized to do business in the State of New York and/or have filed such documentation, certifications, or other information with the State or County as required in order to lawfully provide such services in the State of New York. In addition, said contractors/vendors shall possess and maintain all professional licenses and/or certifications required to perform the tasks undertaken in connection with the Project.

If the Applicant is uncertain if the contractor or vendor being retained to perform services is authorized to do business in the State, the Organization may want to consult its attorney or reach out to the New York State Department of State at:

- https://www.dos.ny.gov/corps/bus_entity_search.html; or
- by calling (518) 473-2492; or
- by submitting a question through the portal at [Contact Us | Department of State \(ny.gov\)](#)

Q.D1: When will I receive a GDA from DASNY?

A.D1: When all DASNY required reviews have been completed, a GDA will be forwarded to the Qualified Applicant electronically for execution. Once a GDA is fully executed by both parties, the NICIP funds will be deemed awarded as evidenced by the GDA between DASNY and the NICIP Grantee.

Q.D2: When will our Organization receive money?

A.D2: Funds are only available for requisition when a GDA has been fully executed. NICIP is a reimbursement program; that is, the Organization must actually incur project costs and have paid those expenses or have been invoiced by the contractor for work actually completed before receiving reimbursement from NICIP Funds. Once expenses have been incurred and/or paid, the Organization will submit one or more requisitions to DASNY, using the forms included within the GDA, along with such supporting documentation as may be required by DASNY.

Please note that in cases where an Organization is unable to make payment to the contractor in the first instance, the Organization must request that the contractor be paid on invoice. If this option is requested, then the Organization must establish a segregated bank account into which NICIP Funds will be deposited and from which NICIP-Funded project costs will be paid. If payment on invoice is chosen as the method of payment to vendors, then the Organization should apply industry standard fraud protection to the segregated bank account (Positive Pay). See section below regarding the requisition process for more information.

II. Eligibility

A. Entity Eligibility

Q.A1: Are all nonprofit Organizations eligible for NICIP funding?

A.A1: No, as outlined in Section 2.2 of the RFA, only certain nonprofit Organizations providing direct human services to New Yorkers are eligible to apply for NICIP funds.

Q.A2: I see that schools are excluded from the NICIP program. We are a New York State licensed nonprofit childcare program that offers preschool to 3- and 4-year-olds. Are we considered a school, or can we apply for a NICIP grant?

A.A2: Nonprofit childcare programs are considered human service Organization for the purpose of NICIP. However, if your Organization has a certified Universal Preschool program affiliated with a public school district, capital improvements to the Universal Pre-K program would be excluded from utilizing NICIP funds.

Q.A3: Our Organization was awarded a NICIP grant from a previous round of funding. Are we eligible to apply for additional funding in this new round?

A.A3 **If your existing project is still ongoing, you will be excluded from this NICIP round.** If your previous NICIP project has been fully completed and all NICIP funds have been disbursed, or you formally withdrew the earlier project, you would be eligible to participate in this NICIP funding opportunity.

B. Project Eligibility

Q.B1: We have applied for funding through the New York State Regional Economic Development Council and are also in talks with our elected representatives to gain funding for our project. We don't know when we will hear on those requests. Can we still apply for NICIP funding?

A.B1: As per the requirements of the RFA, no other New York State funding can be involved in the project as described in the NICIP Application. If you applied, and your application has been deemed Qualified for NICIP, you must forgo any other State funding or forfeit the NICIP opportunity.

Q.B2: We would like to use the NICIP Grant to upgrade our computer system. Is that an eligible cost?

A.B2: Possibly. Since NICIP funds can only be used for capital purposes, only certain technology costs would be eligible. See Section 2.4 for eligible project costs.

III. Reimbursable Costs

A. Deposits, Retainers, Professional Service Fees, and Storage of Materials

Q.A1: Can I use the NICIP Funds for a down payment or a deposit to a contractor or vendor or for a retainer fee to a professional such as an architect or an engineer?

A.A1: No. NICIP Funds may only be used to pay for work actually undertaken and completed (or materials received at the project site) specifically for the approved project at the project location. However, the Applicant will be able to submit for reimbursement of a down payment or deposit once documentation has been received from the Applicant's contractor that the payment has been applied to the value of the work completed to date and is no longer being held as a deposit, or once the job has been completed and the contractor bills the Applicant for the balance of the job.

Q.A2: Can I use the NICIP Funds to make a payment to the Organization's attorney or other service professional for work related to the project or to assist with the NICIP Administration process on our Organization's behalf?

A.A2: Generally, no. Attorney's fees or other professional service fees incurred to assist with documentation and administrative requirements do not qualify as a capital work or purpose pursuant to Federal and State laws.

Q.A3: Can I use the NICIP Funds to purchase real property?

A.A3: No. The purchase of real property is not a NICIP eligible expense.

Q.A4: Can the NICIP Funds be used to purchase a vehicle?

A.A4: The purchase of a vehicle is only eligible if the vehicle in question is used to provide direct services such as a mobile clinic or mobile food pantry. Vehicles used for transportation only are ineligible.

Q.A5: The contractor has ordered supplies for the project early so they wouldn't be delayed when it was time to install them. The supplies were recently delivered to the contractor but can't be installed until another portion of the project has been completed in another month or so. The costs show up on my latest bill from the contractor. May we be reimbursed for these materials now that the contractor has them in hand?

A.A5: No. All materials are required to be received at the approved project location(s) prior to submission for reimbursement.

B. Payment for Internal Labor

Q.B1: In order to save money, our Organization wants to use internal labor to undertake the project. May we be reimbursed for these costs?

A.B1: No. Costs associated with internal labor or employee salaries are not reimbursable with NICIP Funds.

Q.B2: Our Organization would like to use the NICIP Funds to pay the salary of the employee who will be administering the project for our Organization. Is this allowable?

A.B2: No. Salaries of administrative personnel do not qualify.

Q.B3: Members of our Organization are interested in undertaking portions of our project. Since they are not our employees, can the Organization pay them and be reimbursed?

A.B3: In order to be reimbursed for project costs, all contractors and vendors must be authorized to do business in the State of New York and/or have filed such documentation, certifications or other information with the State or County as required in order to lawfully provide such services in the State of New York. In addition, said contractor/vendors shall possess and maintain all professional licenses and/or certifications required to perform the tasks undertaken in connection with the project.

Please note however, per a provision of the GDA, NICIP Funds cannot be used for:

payments to any firm, company, association, corporation or Organization in which a member of the Organization's Board of Directors or other governing body, or any officer or employee of the Organization, or a member of the immediate family of any member of the Organization's Board of Directors or other governing body, officer, or employee of the Organization has any ownership, control or financial interest, including but not limited to an officer or employee directly or indirectly responsible for the preparation or the determination of the terms of the contract or other arrangement pursuant to which the proceeds of the Grant are to be disbursed. For purposes of this paragraph, "ownership" means ownership, directly or indirectly, of more than five percent (5%) of the assets, stock, bonds or other dividend or interest-bearing securities; and "control" means serving as a

member of the board of directors or other governing body, or as an officer in any of the above; and payment to any member of Organization's Board of Directors or other governing body of any fee, salary or stipend for employment or services, except as may be expressly provided for in this Agreement.

C. Payments on a Lease, Mortgage, or to Pay Existing Debt

Q.C1: Can NICIP Funds be used to make lease payments on equipment?

A.C1: No. NICIP Funds may only be used to purchase and install equipment and may not be used to make lease payments or pay down existing debt incurred to finance the purchase and installation of such.

Q.C2: Can the Organization use NICIP Funds to make mortgage payments, pay off an existing mortgage or make other debt service payments?

A.C2: No. As explained above, this would be considered working capital, as opposed to a capital cost. NICIP Funds may not be used to make mortgage payments or pay off an existing mortgage.

D. Costs Constituting Working Capital

Q.D1: Our Organization runs on a very tight budget and would like to use the NICIP Funds to assist in making our rent payments or in paying the utility bills at our site. Is this an allowable use of NICIP Funds?

A.D1: No. Such costs would be considered working capital, or operating costs, as opposed to a capital cost. Federal and State laws mandate that NICIP Funds be spent on capital work only.

Q.D2: Can our Organization use NICIP Funds to pay for certain maintenance or repair costs?

A.D2: No. As explained above, this would be considered working capital. Please note that maintenance and repair costs are not reimbursable even if the awarded project was for the purpose of upgrading and/or replacing a particular system. For example, suppose an award was made for the purpose of replacing a boiler. In addition to replacing the boiler, the contractor also tests the entire heating system, makes necessary repairs, and replaces worn parts. While the costs for replacing the boiler would be reimbursable, the cost of testing and repairing the heating system would not be.

Q.D3: What is the difference between maintenance and capital work? Our Organization would like to apply for NICIP Funds to fix the exterior of our Community Center but we aren't sure what is eligible?

A.D3: It depends on the nature of the work to be done. In general, replacing or reconstruction is generally considered capital. Repairing or resurfacing is almost always considered maintenance. For example, replacing windows is capital, but reglazing the panes on

existing windows is not. Likewise, completely milling and repaving a parking lot is capital, but fixing cracks and sealing the existing pavement is maintenance.

Please note that flooring is an exception to this rule. Replacing carpet or vinyl flooring in a facility would only be eligible for reimbursement if it was in conjunction with renovation or reconstruction projects that created new space or moved walls. Simply replacing worn flooring is considered maintenance.

Q.D4: Our building hasn't been painted in more than 20 years. May we apply for NICIP funding to repaint?

A.D4: Painting on its own, whether interior or exterior, is considered maintenance and not a capital project. However, if a facility is undergoing reconstruction and painting is an element of finishing that renovation, it may be eligible.

Q.D5: Our Organization would like to do a variety of projects to improve our building like automatic doors, energy efficiency, bathrooms and exterior renovations. Will we be allowed to have multiple projects within our application?

A.D5: Yes, as long as each task in a proposed project is capital in nature and at one project location. The cost estimates that are provided with the Organization application should outline the anticipated costs for each item on the list, not just an overall project total.

Q.D6: Can our Organization use NICIP Funds to purchase supplies such as paper, pens, postage, and similar items if they would be used in connection with the Project?

A.D6: No. Such costs would be considered working capital, or operating costs, as opposed to a capital cost. As explained above, NICIP Funds may only be spent on capital costs.

Q.D7: Can our Organization use NICIP Funds to purchase a maintenance plan, service agreement or extended warranty for our Project?

A.D7: No. Such costs would be considered working capital, or operating costs, as opposed to capital costs. As explained above, NICIP Funds may only be spent on capital costs. NICIP Funds may not be used to pay for service agreements or extended warranties.

Q.D8: Can our Organization use NICIP Funds to pay for training on the use of equipment acquired with NICIP Funds?

A.D8: NICIP Funds may only be used to pay for training costs incurred to "train the trainer" on specialized equipment. That is, the NICIP Funds may be used to pay the costs incurred to train one person within the Organization who will be responsible to train the other users. If training expenses are incurred to train groups of users, then these costs are operational in nature and may not be reimbursed with NICIP Funds.

Q.D9: Can our Organization use NICIP Funds to pay for recurring costs such renewing work permits?

A.D9: No. NICIP Funds may not be used to pay any recurring costs such as or costs incurred to renew work permits.

Q.D10: Our Organization would like to do work that will lower our overhead costs. Can we be reimbursed for installing solar panels?

A.D10: The purchase and installation of solar panels is a capital eligible project. However, the solar equipment must be owned by the Organization and installed at the project location. Solar installations that lease the solar equipment to the facility would not be eligible for reimbursement, nor would community solar projects. In addition, please note that the Organization must be the only entity benefiting from the solar panels.

E. New Yorkers Must Benefit

Q.E1: Our Organization is located in a town just over the New York border, but many of the people we serve live in New York. Can our Organization apply for NICIP Funding?

A.E1: No. NICIP Funds must be used for projects that will be located within the State of New York and benefit New York State Residents.

F. Tax Credit Structures

Q.F1: Our Organization would like to use a tax credit structure such as New Market Tax Credits, Low Income Tax Credits, Historic Preservation Tax Credits, or similar programs to help finance our project. Is this allowable?

A.F1: No. It is often difficult to reconcile the requirements of the tax credit programs with NICIP. For example, the NICIP requires the named Applicant to incur costs related to the funded project and to retain ownership of the funded project. Many tax credit programs require title to be held in the name of a related entity and project costs are paid out of a corpus held in the name of a party other than the Applicant. NICIP requires that all NICIP funds be used for projects other than those being funded through a tax credit structure.

III. The Requisition Process

A. Timing Questions

Q.A1: Our Organization started work on the project before submitting the application. May we submit a requisition for work undertaken before the Application date?

A.A1: Eligible Projects cannot have started prior to April 1, 2023 as stated in the RFA. Any cost incurred prior to this date are not reimbursable costs.

Q.A2: How often may our Organization submit a requisition for payment?

A.A2: There is no limit on the number or frequency of submissions. DASNY typically has two payment dates per month, and Grantees may receive one payment per month so long as the requisition meets all of the requirements.

Q.A3: Is there a time limit as to when the Organization can submit a requisition?

A.A3: Yes. All costs must be incurred, and all payment requisitions must be processed and paid by December 31, 2026. Any funds not utilized at this point will be forfeited by the Grantee.

The Grantee may submit its first requisition once the GDA is fully executed.

Q.A4: How long will it take to receive payment after a requisition is submitted?

A.A4: DASNY attempts to pay all requisitions submitted with the proper supporting documentation within six (6) weeks from the date the requisition is submitted. Please note that if insufficient documentation is provided, or if DASNY requires additional documentation to support a requisition, it could take longer. In addition, DASNY must voucher for the NICIP Funds from the State in order to make payment on a requisition. Typically, such funds are received in time to make a payment within six (6) weeks of submission, but please be advised that DASNY will only be able to make payment on the requisitions once funds are received from the State.

B. Submission of Requisitions

Q.B1: What backup documentation must be submitted with a requisition?

A.B1: Certain exhibits to the GDA must be returned to DASNY in connection with each requisition for reimbursement. Please note that Applicants must have two (2) Authorized Officers sign the Dual Certification in support of each requisition. In addition, copies of **invoices** provided by the contractor must be provided. *Quotes, proposals, estimates, purchase orders, and other such documentation do NOT qualify as invoices.*

In addition, readable copies of both the front and back of canceled checks or other satisfactory proof of payment **MUST** be included with the request for reimbursement. Please see A.B2, below, for more information.

All checks must be drawn on an account of the Applicant and not an affiliate, subsidiary, or parent Organization. If a check is drawn on an account with a name that is different from the Applicant, it will delay the reimbursement process. Please note that for payment on invoice, checks must be drawn on the segregated account as discussed below in Section C.

Q.B2: My bank does not provide copies of canceled checks, so I can't provide them. Does this pose any problems?

A.B2: If the Grantee cannot get copies of canceled checks, please provide a copy of the front of the signed check along with a copy of a bank statement clearly showing that payment was made by Grantee to the contractor. In addition, DASNY requires the Grantee to certify that documents submitted in support of the requisition are accurate copies of the original documents as presented to, and cashed by, the contractor or vendor.

Q.B3: What backup documentation must be provided when payment is made by credit card, PayPal, Venmo or other form of electronic payment?

A.B3: If the card used was a corporate credit card, we require a copy of the statement showing the charge, the invoice for the materials purchased, and a copy of the canceled check paying

the statement in full. We do not recommend using a personal credit card to pay for NICIP project-related costs; this may require additional processing time and could delay payment. If, however, payments have been made using a personal credit card, we will need to see the individual's credit card statement, the invoice for the materials purchased, and a copy of the canceled check showing the Grantee reimbursed the appropriate party for the NICIP project-related items.

DASNY does not recommend using PayPal, Venmo or other virtual payment methods to pay costs for which the Grantee will seek reimbursement from NICIP. If, however, this is unavoidable, then DASNY must see funds drawn directly on the bank account of the named Grantee and DASNY must also see that the appropriate party is in receipt of the funds.

Note: project expenses that have been incurred by an Applicant using a credit card are NOT eligible for payment on invoice.

Q.B4: The contractor was paid in cash for work related to the project. Does this pose any problems?

A.B4: Yes. DASNY must receive adequate proof of payment prior to releasing NICIP Funds, and we will not reimburse the Grantee for costs paid in cash. The preferred method of payment is by check as evidenced by a copy of a Grantee's canceled check made payable directly to the contractor or vendor.

Q.B5: The contractor did not give our Organization an invoice, so we cannot provide one with the requisition. Is this a problem?

A.B5: Yes. An invoice from the contractor along with proof of payment must be provided in order to be reimbursed for project expenditures. Please ask each contractor for an invoice made out to the Grantee when work is undertaken in connection with the Project.

Q.B6: The contractor requested that the check be made payable to him personally, and not to the corporate entity. Is this acceptable?

A.B6: No. Payment should be made to the corporate entity that performed the work and provided the invoice. For example, if an invoice is received from "Jack's Contracting, Inc.," the check should be payable to "Jack's Contracting, Inc." and not to "Jack Smith."

Q.B7: Another entity has actually paid for the construction costs relating to the project and is looking to our Organization for reimbursement. Does this pose any problems?

A.B7: Yes. DASNY can only use NICIP Funds to reimburse a Grantee for costs related to their project that were actually incurred by the Grantee and not another entity. The Grantee is the entity that should be incurring project costs, paying those costs from their own bank or checking account, and then requesting reimbursement. If another entity paid for the project costs and the Grantee is seeking reimbursement for those costs, there will likely be a delay in processing the requisition.

Q.B8: What if the wrong documentation is submitted with the requisition?

A.B8: If the wrong documentation is included with the Grantee's requisition request, DASNY will not make payment. The Grantee will be informed, in writing, of the portions of the requisition for which DASNY is unable to make payment and the reason(s) why payment was denied. Please note that it is the Grantee's responsibility to submit requisitions that are properly assembled and clearly delineate allowable costs to be paid for with NICIP Funds; it is not the responsibility of DASNY staff to make sense of a disorganized submission. If the requisition is not readily understandable, the entire requisition package will be returned to the Grantee for resubmission prior to payment.

Q.B9: Is there someone available to assist my Organization with assembling a requisition?

A.B9: As indicated above, it is the Applicant's responsibility to submit requisitions that are properly assembled and clearly delineate allowable costs to be paid for with NICIP Funds. While members of DASNY's Accounts Payable staff are available to answer specific questions about a requisition, DASNY cannot assume the Grantee's responsibility to locate the documentation necessary to support costs to be paid for with NICIP Funds or evidencing proof of payment; matching proof of payment to invoiced costs; inferring the services or materials provided where the documentation does not clearly provide an explanation; and other such tasks.

Q.B10: Can our Organization submit a requisition request electronically?

A.B10: Yes. After the Grantee receives an executed GDA, requisitions may be submitted by email to apgrants@dasny.org. Please email the requisition from the Grantee's email account, and please include the project ID number and Grantee's Legal Name in the subject line.

C. Payment on Invoice

Q.C1: Our Organization does not have the funds to make payment in the first instance. Is there a way to access the NICIP Funds to pay the costs as they are incurred?

A.C1: NICIP is intended to be a reimbursement program. However, we recognize that it may be difficult for some Grantees to pay for project costs upfront. If that is the case, pursuant to the terms of the GDA, the Grantee will need to provide DASNY with documentation evidencing that a non-interest-bearing, segregated account has been established by the Grantee into which NICIP Funds will be deposited, and that an industry standard fraud protection service has been added to the segregated bank account (Positive Pay). Eligible expenses incurred in connection with the project to be financed with NICIP Funds must be paid out of this account. All work being paid on invoice must be completed prior to disbursement of NICIP Funds. The funds in the segregated account shall not be used for any purpose other than making payments to a contractor or vendor for costs in connection with the NICIP-Funded project. The Applicant must provide proof of disbursement of NICIP Funds to the respective contractor and/or vendor in a form acceptable to DASNY, within sixty (60) days of the date that NICIP Funds are disbursed to the Applicant to pay for such costs. DASNY will not make any additional disbursements from NICIP Funds until such time as proof of payment is provided.

Q.C2: When seeking payment on invoice, what must our Organization submit to access the NICIP Funds?

A.C2: Submit an invoice from the contractor/vendor for the completed work undertaken on the project along with the appropriate requisition exhibits that are in the executed GDA. All project-related work being paid on invoice must be completed prior to the disbursement of NICIP Funds. All NICIP Funds paid on invoice must be deposited into the non-interest-bearing segregated account established by the Grantee (see prior question and answer) and all eligible expenses incurred in connection with the project to be financed with NICIP Funds must be paid out of this segregated account. The funds in the segregated account shall not be used for any purpose other than making payments to the contractor or vendor for costs incurred in connection with the NICIP-Funded project. When the Applicant receives payment on invoice, the Grantee must show proof of disbursement of all funds from the segregated account to the contractor before DASNY will pay any additional payment requests.

The Grantee must provide proof of disbursement of NICIP Funds to the respective contractor and/or vendor in a form acceptable to DASNY, within sixty (60) days of the date that NICIP Funds are disbursed to the Grantee to pay for such costs. DASNY will not make any additional disbursements from NICIP Funds until such time as proof of payment is provided.

IV. Project Changes After the Award

Q.A1: The project is going to take longer than originally estimated. Can our Organization receive an extension of time to complete the project?

A.A1: As per the terms of the RFA, all projects are required to be completed and payment requisitions processed by December 31, 2026. If the project cannot be completed during that timeframe, the Applicant will have to decline the NICIP funding opportunity.

Please contact DASNY via email at NICIP@dasny.org if the Applicant can no longer undertake the awarded project.

Q.A2: What if our Organization wants to use the NICIP Funds to pay for costs other than those described in the Application?

A.A2: Since the NICIP is a competitive program, changes are **not permitted**. If the project proposed in the Application can no longer go forward, the Applicant will have to decline the Award.

Please contact DASNY via email at NICIP@dasny.org if the Applicant can no longer undertake the awarded project.