

NEIGHBORHOOD COUNCIL CHECKING ACCOUNT SYSTEM

EMPOWER LA[™]
Department of
NEIGHBORHOOD EMPOWERMENT



CORE USER'S GUIDE

INTRODUCTION

Welcome to the Neighborhood Council Checking Account System. The purpose of this guide is to provide you with the most critical information you need to get up and running with accessing your Neighborhood Council's Checking Account, to ensure you are using your account in an accepted manner, and to properly report your expenditures on a monthly basis. For any comments, questions, or concerns, please contact the Department at (213) 978-1551 or Done.Funding@lacity.org.

ACCESSING YOUR NC'S CHECKING ACCOUNT

1. The Neighborhood Council must appoint a Treasurer and 2nd Signer at a properly agendized NC Meeting.
2. The appointed board members complete the full funding training requirement (Empowerla.org/funding/) and register online.
3. Complete and submit the following documents prescribed by the Department: [Acknowledgement Agreement](#), [Bank Application](#), [Board Vote Count Form](#), 2 forms of ID (Driver's License, passport, credit card). These are available on our website.
4. Once your account is opened, your designated cardholder will pick up the bank card from the Department.
5. Your online account access will be set up by the Department. Online bill payment guides and tutorials are available at Unionbank.com.

USING YOUR NC CHECKING ACCOUNT

1. After the initial seed money of \$4,000 is deposited into your account, the NC must request additional funds each month, as needed, using a [Cash Request Form](#). The Department will process completed requests in 1-2 business days.
2. A [Funding Request Form](#) is completed and submitted to the NC for any requests for NC funds. This can be completed by the Treasurer requesting payment of operating costs, or an NPG applicant seeking funds for their organization, for example. For recurring operating costs, the Board only needs to vote one time identifying the total cost/frequency of the expenses. The Board will review and vote on these requests at their full NC meetings, and a Board Vote Count Form will record how each Board Member voted.
3. Once approved, the Treasurer will log into the Union Bank website and issue payments approved by the Board. Checks are generated by the bank, so long as there are sufficient funds in the account, and a physical check will be mailed to the payee (5-7 business days).
4. Some payments must be [pre-approved](#) by the Department before the Treasurer can issue a payment: Regardless of cost, all Neighborhood Purpose Grants (NPG's), Community Improvement Projects (CIP's), Contracts, Leases, and any NC sponsored or co-sponsored outreach events. In addition, any other expenses over \$2,500 that do not fall into these categories must also be pre-approved.
5. Payments requiring pre-approval must be submitted to the Department with the following documents: Funding Request Form, Board Vote Count Form. For NPG's we also need the NPG Application, and IRS Determination Letter (501(c)3) or LAUSD School Letter. For CIP's we also need permits and proof of insurance. For Board Member Reimbursements we need copies of the receipts/invoices paid, and proof of payment (copy of bank statement, or cancelled check).
6. The Department will render the decision to approve within 3-5 business days. Once the Treasurer receives notification of approval, the payment may be issued from the account.

USE OF THE BANK CARD

1. The cardholder of the NC Checking Account bank card is responsible for its security.
2. Bank card usage should be limited to incidental use only, where an online check payment would not be feasible.
3. To avoid possible fees for paying with a bank card, always ask the vendor for any available payment options.
4. Maximum **daily** amount for incidentals is \$500.00.
5. Any requests for increases above the daily amount must be authorized by the Department.
6. Request is submitted on a form prescribed by the Department.
7. Cardholder is responsible for collecting and submitting all original receipts to the Treasurer for the monthly reconciliation.
8. The following uses of the charge card are strictly forbidden under any circumstances: ATM cash withdrawals, cash-back requests, donations of money or goods to individuals or groups (which also includes tips), purchases of gift cards, alcohol, tobacco, firearms, or adult entertainment products, use of the charge card at any gambling facility, casino, or for any gambling purposes be it online or in person.
9. The Department will immediately revoke the cardholder's charge card if any of the above uses are identified.

REPORTING YOUR EXPENDITURES

1. The Board Vote Count Form will track the Board voting results for each funding item, including the Monthly Expenditure Report.
2. The Treasurer and Signer are responsible for submitting the completed Monthly Expenditure Report form to the Department with the corresponding Board Vote Count Forms and supporting documents, including original receipts, invoices, permits, flyers, sample artwork, etc.
3. Deadline to submit the Monthly Expenditure Report is 10 business days after the NC's regular monthly board meeting (eg. July's Expenditure report is due 10 days after the NC's August meeting).

ALLOWABLE EXPENDITURES

Business Services - automobile parking lots and garages, equipment, furniture rental, photographic developing, studios, postal services, reproduction and blueprint services, tool rental

Communication Services – Telecommunication equipment and services

Professional Services - Associations, civic, social and fraternal, elementary schools, and secondary colleges, professional schools, charitable and social service organizations

Repair Services – Electronic repair shops, furniture repair, refinishing, small appliance repair shops.

Retail Services - Books, Periodicals, Newspapers, Building Materials, Lumber Stores, Candy, Nut, Confectionery Stores, Caterers, Computers, Computer Peripheral, Equipment, Computer Software, Computer Software Stores, Department Stores, Discount Stores, Drug Stores, Pharmacies, Eating Places, Restaurants, Electronics Stores, Fast Food, Restaurants, Florist Supplies, Nursery, Flowers, Glass, Paint, Wallpaper Stores, Grocery Stores, Supermarkets, Hardware Stores, Home Supply Warehouse, Lawn and Garden Supply Stores, Music Stores, Office and Commercial Furniture, Office, Photographic and Photocopy, Paints, Varnishes and Supplies, Promotional Material Stores, Second Hand Stores, Stationery, Office Supplies, Printing, Variety Stores, Wholesale Clubs

TRACKING OTHER FUNDING ACTIVITY

The Board Vote Count Form is used to track all funding activities, not just expenditure requests and Monthly Expenditure reports. Additional uses of the form required include appointment of the Treasurer and Signer, annual budget approval, approved amendments to the budget, and appointment of temporary or interim Treasurers or Signers.

PROHIBITED EXPENDITURES

- Any purchases made without the prior approval of the Neighborhood Council governing body, and any purchases that are not identified in the NC approved budget.
- Payment for services over an extended period of time that may require a personal services agreement executed by the Department.
- Pre-payment, or advanced payments of goods or services. Please check with the Department first prior to issuing pre-payments or advanced payments.
- Payment for transportation services or travel expenses.
- Split charges - using multiple transactions for a single charge to circumvent the maximum threshold amount allowed (\$2,500).
- Donations of money or goods to individuals or groups.
- Items or services from an entity that did not participate in a fair and open selection process. The threshold amount is anything over \$5,000 requires 3 bids from local vendors, and may need a contract depending on the terms of services.
- Any purchases and/or capital improvement projects that increase the value of private property or do not benefit the general public.
- Events or projects that do not have the required insurance and permits. Liability is always an important consideration with any project.
- Third-party reimbursements are not permissible. Neighborhood Council funds can only be used to reimburse Board Members of their own Neighborhood Council for Board approved expenses.
- Purchases of alcohol, tobacco, firearms, or adult entertainment products.
- Purchases that violate the constitutional separation of church and state (City funds cannot be used to endorse religion and/or interfere with free religious exercise)
- Purchases that violate City and/or State conflict of interest laws.
- Supporting or opposing ballot measures or candidates, and political forums or debates unless following City Attorney guidelines.
- Lawsuits against the City or City agencies, and appeals against any discretionary decisions made by any City agency.
- When in doubt – Please ask!

ENFORCEMENT OF IMPROPER SPENDING ACTIVITY

1. Department may stop payment on a check and charge the fees to the NC's appropriation account.
2. Require the NC to obtain a refund of the money and return any goods purchased.
3. If unable to retrieve the funds, reduce the NC's appropriation by the amount identified as improper.
4. Other enforcement actions may be taken by the Department as deemed appropriate based on the severity of the incident.