



## **Richland County Grant Noncompliance Procedures Accommodations Tax, Hospitality Tax and Discretionary Grant Programs**

### **What is “Noncompliance?”**

A non-County entity (e.g., grantee, agency, nonprofit organization) is considered to be in noncompliant status when one or more of the following apply:

- Not meeting the provisions of the grant guidelines and signed grant award or agreement (e.g., memorandum of understanding)
- Not providing the Mid-Year and Final Reports by their due date
- Failure to spend grant funds in accordance with the guidelines and/ or procedures identified in the Accommodations Tax, Hospitality Tax and /or Discretionary Grant
- Spending grant funds on items that are not eligible for grant funding
- Reporting requirements are not met, including the provision of required documentation relative to the organization’s expenditures
- Grant-required tasks/activities are not conducted according to the established requirements or as outlined in the corresponding grant application

Once in noncompliant status, the entity is subject to processes overseen by Richland County Grant Manager and the Office of Administration. The noncompliance process provides assistance to the entity to re-establish a status of compliance. However, if an entity's actions do not re-establish a status of compliance, Richland County may initiate the grant funds recovery process.

The grant recovery process typically involves actions by Richland County designed to recover funds awarded through the grant agreement.

An entity remains in noncompliant status until all delinquencies are resolved.

### **Levels of Noncompliance**

There are two levels of noncompliance; Level 1 & Level 2. Each Level has a progressive increase in the required corrective action. At any level in the noncompliance process, entities that correct their deficiencies by complying with the established standards may return to a status of compliance. If at any time an entity receives a noncompliance notification from Richland County, but the grantee has already submitted a required report, a required deliverable or has corrected the stated deficiency, the entity should immediately contact the Richland County grants office to discuss the noncompliance situation.

#### **Level 1**

The entity receives an email or letter from the Grants Manager outlining the noncompliance issue and the steps the organization needs to take in order to clear the issue.

The entity has 10 business days from the email/letter date to respond. If the infraction is corrected, the entity’s record is cleared and they are no longer in a non-compliance status. Any pending payments for the noncompliant entity will be suspended until the issue is resolved.

Failure to respond or correct the noncompliant issue within 10 days moves the entity into Level 2 noncompliance.

In the case when grant funds are not used in accordance with County guidelines and are to be restored to Richland County, an invoice will be sent to the grantee requesting that funds be returned upon receipt of the invoice.

### **Level 2**

The entity receives a letter informing them that the 10-day window in Level 1 of noncompliance has passed and that the issue has not been resolved. The entity has 30 days to resolve the issue.

All relative County funding for this organization is suspended until the noncompliance issue is resolved, meaning that all payments for this entity are suspended.

If, following this notice, the entity submits the required deliverable, or submits documentation of the completion of the previously unresolved requirement, Richland County grant staff will review it for sufficiency. If program staff finds the deliverable sufficient, the entity's status returns to compliance.

All organizations who reach Level 2 noncompliance are reported to the appropriate Committee as well as Richland County Administration and County Council, potentially jeopardizing this entity's ability to apply for and receive future grants from Richland County.

If fund recovery is unsuccessful in either Level 1 or Level 2, the County will follow all available legal steps for debt recovery.

For questions or to respond to a noncompliance notice, please contact Natasha Dozier, Richland County Grants Manager at 803.576.2069 or email [doziern@rcgov.us](mailto:doziern@rcgov.us).