

VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)
NEIGHBORHOOD ASSISTANCE PROGRAM (NAP)
APPLICATION INSTRUCTIONS
JULY 1, 2018 – JUNE 30, 2019

Thank you for your interest in the Neighborhood Assistance Program.

The Neighborhood Assistance Act Tax Credit program (NAP) is administered by the Virginia Department of Social Services (VDSS) and the Department of Education (DOE). VDSS has \$8 million available to allocate to organizations offering general human service programs. DOE has \$9 million available to allocate to organizations offering education programs. An organization may only submit one application for NAP tax credits depending on the primary types of programs offered.

NAP eligible 501(c)(3) or 501(c)(4) non-profit organizations receive an allocation of tax credits from VDSS or DOE on a basis of proven operational success and their capacity to serve a low-income person or an eligible student with a disability. "Low-income person" means an individual whose family's annual household income is not in excess of 300 percent of the current federal poverty guidelines.

Contact Todd Gathje, Tax Credit Program Specialist, for more information relating to the application process for an organization offering education programs. The email address is Todd.Gathje@doe.virginia.gov.

Definitions for Education:

"Education" means any type of scholastic instruction or scholastic assistance to a low-income person or an eligible student with a disability.

"Scholastic assistance" means (i) counseling or supportive services to elementary school, middle school, secondary school, or postsecondary school students or their parents in developing a postsecondary academic or vocational education plan, including college financing options for such students or their parents, or (ii) scholarships.

"Eligible student with a disability" is a student (i) for whom an individualized educational program has been written and finalized in accordance with the federal Individuals with Disabilities Education Act (IDEA), regulations promulgated pursuant to IDEA, and regulations of the Board of Education and (ii) whose family's annual household income is not in excess of 400 percent of the current poverty guidelines.

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- ❖ PLEASE COMPLETE AND MAIL THE ORIGINAL GENERAL HUMAN SERVICES PROGRAM APPLICATION AND REQUIRED ATTACHMENTS TO:

VIRGINIA DEPARTMENT OF SOCIAL SERVICES
Office on Volunteerism and Community Services
Neighborhood Assistance Program
801 E. Main Street, 15th Floor
Richmond, VA 23219

The completed package must be received at the above address by 5:00 P.M. on Tuesday, May 1, 2018. Incomplete applications or applications received after 5:00 P.M. on the due date will not be considered. Please allow sufficient time for delivery when mailing the application. **POSTMARK DATES ARE NOT APPLICABLE.**

§ 58.1-439.20 of the Code of Virginia

In order for a proposal to be approved, the applicant organization and any of its affiliates shall meet the requirements of the application regulations or guidelines. This rule does not apply if the applicant organization received an allocation of NAP tax credits in fiscal year 2013 – 2014.

Definition:

"Affiliate" means with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with such person. For purposes of this definition, "control" (including controlled by and under common control with) shall mean the power, directly or indirectly, to direct or cause the direction of the management and policies of such person whether through ownership or voting securities or by contract or otherwise.

VDSS application instructions for FY 2018 – 2019

- **Open the NAP application.** Click on **File**. Click on **Save As** to save application. Use the **TAB** key to move to the next field. Save the application after completing.
- Complete questions 1 through 15.
 - For Line 7, if the Contact Person is also the CEO or Executive Director listed on Line 6, enter "SAME".
 - For Line 10, refer to the Code for Type of Services Offered list. Use only one code.
 - For Line 14, if the answer is yes, please note that any affiliated entities are also required to meet certain requirements of this application.
 - For Line 15, enter the total amount of anticipated NAP eligible donations the organization expects to receive beginning July 1, 2018 to June 30, 2019 to support low-income people. A business or trust donation of at least \$616 or an individual donation of at least \$500 may be considered NAP eligible.
- **VDSS uses the following methodology to allocate tax credits:**
- Approved organizations that received a tax credit allocation within the last four years will be given an allocation based on the average amount of tax credits actually used in prior years. The allocation process may include a determination of the reasonableness of requests, caps, and percentage reductions in order to stay within the total available funding.
 - In any year in which the available amount of tax credits exceeds the previous year's available amount, at least 10% of the excess amount shall be allocated to approved organizations that did not receive any allocations in the preceding year. If the amount of tax credits requested by organizations not receiving allocations in the preceding year is less than 10% of the excess amount, the unallocated portion of such 10% shall be allocated to other approved organizations.
- ✓ VDSS did not receive an increase in tax credits FY 2018 – 2019.

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CODES FOR TYPE OF SERVICES OFFERED

1 - Youth / Domestic Violence Shelter	12 - Substance Abuse Counseling
2 - Homeless Shelter	13 - Food Banks
3 - Housing	14 - Job Training / Employment Services
4 - Youth Activities / Youth Center	15 - Literacy Programs
5 - Home / Center for the Disabled	16 - Child Care Programs
6 - Comprehensive Emergency Services	17 - Water / Waste Water Program
7 - Senior Citizens Services	18 - Transportation Service
8 - Legal Services	19 - Ex-Offender Services
9 - Health Care Services	20 - AIDS Program Related Services
10 - Teen Pregnancy / Family Planning / Counseling	21 – Other

➤ **ATTACHMENT A – CERTIFICATION OF INCOME LEVEL SERVED**

- Food Banks will use the supplemental Attachment A.
- A separate Attachment A must be completed by the applicant organization and each affiliated entity.
- In order to qualify for NAP, the applicant organization and any of its affiliated entities must meet the following criteria:
 - ✓ Be exempt from income taxation under the provisions of §§ 501(c) (3) and 501(c) (4) IRS code of 1986.
 - ✓ Must have been in operation providing neighborhood assistance to low-income persons for at least 12 months.
 - ✓ Demonstrate at least 75 percent of total revenue received is expended to support their ongoing programs each year.
 - ✓ Demonstrate at least 50 percent of the persons served must be low-income.
 - ✓ Demonstrate at least 50 percent of the total revenues must be used to provide services to low-income persons.
- Complete Attachment A using data from the most recent year ended audit, review or compilation. (Example of most recent year ended: 1/1/17 – 12/31/17, 7/1/16 – 6/30/17, 10/1/16 – 9/30/17, 5/1/16 – 4/30/17 or other current dates). Complete the chart using the numbers from most recent year ended Federal Form 990 if the audit, review or compilation has not been completed. Mark the numbers as unaudited if the CPA has not finalized the most recent year ended audit or Federal Form 990 used for completing Attachment A.
- The requested information must include **all the programs** within the organization or each affiliated entity, and reflect the **total operation**, not just one or more programs conducted by the organization.
- Total family’s annual household income includes wages/salaries, social security income, pensions, dividend/interest income, SSI, etc. All references to poverty/income levels refer to the federal poverty guidelines as shown in the instructions.
- The time period for determining the number of low-income persons served by the organization must be the same period used for last year’s application.

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2017 FEDERAL POVERTY GUIDELINES (FPG)

Household Size	100%	200%	300%
1	\$ 12,060	\$ 24,120	\$ 36,180
2	\$ 16,240	\$ 32,480	\$ 48,720
3	\$ 20,420	\$ 40,840	\$ 61,260
4	\$ 24,600	\$ 49,200	\$ 73,800
5	\$ 28,780	\$ 57,560	\$ 86,340
6	\$ 32,960	\$ 65,920	\$ 98,880
7	\$ 37,140	\$ 74,280	\$ 111,420
8	\$ 41,320	\$ 82,640	\$ 123,960

For families/households with more than 8 persons, add \$4,180 for each additional person.

2018 FEDERAL POVERTY GUIDELINES (FPG)

Household Size	100%	200%	300%
1	\$ 12,140	\$ 24,280	\$ 36,420
2	\$ 16,460	\$ 32,920	\$ 49,380
3	\$ 20,780	\$ 41,560	\$ 62,340
4	\$ 25,100	\$ 50,200	\$ 75,300
5	\$ 29,420	\$ 58,840	\$ 88,260
6	\$ 33,740	\$ 67,480	\$ 101,220
7	\$ 38,060	\$ 76,120	\$ 114,180
8	\$ 42,380	\$ 84,760	\$ 127,140

For families/households with more than 8 persons, add \$4,320 for each additional person.

➤ **ATTACHMENT A1 - INCOME LEVELS SERVED**

- Food Banks will use the supplemental Attachment A1
- A separate Attachment A1 must be completed by the organization and each affiliated entity.
- The requested information must include **all the programs** within the organization, or each affiliated entity, and reflect the **total operation** of the organization, not just one or more programs conducted by the organization.
 - ✓ Describe the data, resources, procedures and methodology used to determine the income levels of the total persons served. Be specific about what data is used to determine if the person served has a household income that is not in excess of 300 percent of the federal poverty guidelines, and how this data is acquired.
 - ✓ Describe how often the family's annual household income information is updated.
 - ✓ If the population the organization serves has changed and does not mirror the information provided on Attachment A, please explain. (If not applicable, put N/A).

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➤ **ATTACHMENT B - LOCALITIES SERVED**

- Check all localities in which the organization will actively provide a service.

➤ **ATTACHMENT C - DESCRIPTION/MISSION**

- Describe the organization's programs; its mission, and how NAP donations will be used. Use the following as a guideline:
 - ✓ Describe the organization's programs. Explain how the organization is meeting the requirement of primarily providing assistance for low-income people in Virginia. Use additional pages as needed.
 - ✓ List the mission statement for the organization and date adopted by Board. Does the mission statement reflect the purpose of the organization? If this is different from the description shown in the audit, review or compilation, please explain.
 - ✓ If the organization has other programs in addition to an on-site health care clinic, describe the type and frequency of services offered at the clinic. (If not applicable, put N/A).
 - ✓ Describe how NAP donations will be used to support the organization's programs, if approved.

➤ **ATTACHMENT D – GOALS AND OBJECTIVES**

- Provide a statement of objectives for **ALL** of the organization's low-income programs and list the measurable outcomes that are expected to occur during the FY2018 - 2019 program period. Discuss the method that will be used to evaluate the program's effectiveness.

➤ **ATTACHMENT E – MEASURABLE OUTCOMES**

- Using the attached format, list the measurable outcomes that occurred from July 1, 2017 to present for **ALL** of the organization's low-income programs. Attachment E is not required if the organization did not participate in NAP for FY 2017 – 2018.

➤ **ASSURANCE STATEMENT**

- Sign and date the assurance statement.

➤ **ATTACHMENT F & G – REVENUE/EXPENDITURES/ADJUSTMENTS**

- *Attachment F & G is not required if the audit, review or compilation submitted with the application meets the requirement that at least 75% of total revenue received is expended to support the organization's ongoing programs each year. The attachments must be completed by an outside independent CPA, if required.*
- *A separate Attachment F & G must be completed by each affiliated entity, if required.*

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➤ **APPLICATION PACKAGE CHECKLIST**

- Complete the **Application Package Check List** to ensure the organization is returning a complete package. Add a check mark (✓) for each part included.

➤ **The completed application and the following documents must be received in the office of VDSS by 5:00 p.m. on Tuesday, May, 1, 2018:**

- A copy of the organization's 501(c) (3) (4) status documentation.
- A copy of the organization's current federal form 990.
- A copy of the current registration approval letter, extension letter or letter of exemption filed with the Department of Agriculture and Consumer Services, Division of Consumer Affairs (VDACS), or copy of the documentation produced from the VDACS charitable organization database located at http://cos.va-vdacs.com/cgi-bin/char_search.cgi. In the event that the organization has not received the registration approval letter or extension letter, and the registration on the VDACS charitable organization database has not been updated, provide a copy of the completed VDACS annual renewal application and a copy of the cancelled check.
- A copy of the organization's brochure, pamphlet or flyer detailing their programs.

➤ **The audit, review or compilation must be received in the office of VDSS by 5:00 p.m. on Thursday, May 31, 2018.**

- A copy of the organization's most recent year ended audit, review or compilation **prepared by an outside independent CPA.**
 - ✓ An audit or review is required if the organization's revenue (including the value of all donations) is in excess of 100,000.
 - ✓ A compilation (detailed financial statements) is required if the organization's revenue is \$100,000 or less.

***Please staple or paperclip the application, attachments and supporting documentation. Please do **NOT** put the application in a folder or three-ring binder.*