



Department for Local Government
Office of State Grants

Fiscal Years 2024-2026

Executive Branch

Line-Item Appropriations



Office of State Grants Staff

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2024 Legislative Regular Session

Line-Item Appropriations Bills

- House Bill 1 (Chapter 173)

- Senate Bill 91 (Chapter 223)

- House Bill 752 (Chapter 154)

- One-time allocations for biennium fiscal years FY 24-26.
- General Fund monies from the Budget Reserve Trust Fund
- Separate from House Bill 6 (Budget Bill)



House Bill 1 (HB 1) Line-Item Appropriations

AN ACT relating to government agencies, making an appropriation therefor, and declaring an emergency. Be it enacted by the General Assembly of the Commonwealth of Kentucky:

- ❑ Section 1. Notwithstanding KRS 141.020(2)(a)2., the appropriations contained in this section are supported solely by funds from the Budget Reserve Trust Fund Account established by KRS 48.705 and shall not be identified as GF appropriations when certifying the reduction conditions pursuant to KRS 141.020(2)(a)5. and (d)2. to 5.
- ❑ There is hereby appropriated General Fund moneys in the amount of \$203,500,000 in fiscal year 2023-2024, \$1,517,150,400 in fiscal year 2024-2025, and \$1,018,952,900 in fiscal year 2025-2026 from the Budget Reserve Trust Fund Account established by KRS 48.705 to support the following one-time appropriations:



House Bill 1 (HB 1) Line-Item Appropriations

Types of Recipient Entities

- 1) City
- 2) County
- 3) Special Purpose Government Entity / Quasi-Government
- 4) Non-Profit Entity



House Bill 1 (HB 1) Line-Item Appropriations

Types of Line-Item Appropriation Activities

- To support the “specific name of” project.
- To support upgrades and enhancements.
- To support ongoing operations and additional programming.
- To support upgrades and equipment.
- To support economic initiatives.
- To provide the match for a federal grant.
- To construct a facility/complex.
- For various projects.



House Bill 1 (HB 1) Line-Item Appropriations

Allocation Timelines

- ❑ Fiscal Year 2024-2025.
- ❑ Fiscal Year 2025-2026.
- ❑ Each fiscal year.
 - Funding allocations for each fiscal year must be disbursed by June 30th of each fiscal year, or the funds lapse.
 - Project activity does **NOT** have to be completed.
 - Funding can be paid up front or may be a reimbursement.



Senate Bill 91 (SB 91) Line-Item Appropriations

❑ SB 91 – an extension of HB 1 Appropriation Bill.

- 2024 Regular Session HB 1/VO, Section...
- Bold text and strikethrough.
- Amends appropriation amount.
- Amends the recipient.
- Amends project activity.
- Amends allocation timeline.

❑ SB 91 Line-Item Appropriations



Line-Item Appropriations

Types of Appropriation per Legislation

- House Bill 1
- House Bill 1, as amended by Senate Bill 91
- Senate Bill 91
- House Bill 752 (City of Mayfield & Graves County Fiscal Court)



Line-Item Appropriation Access Funding

Application Process

- Applications accepted year-round (Finance & Administration Cabinet OPS Deadline for each fiscal year is **May 1st**).
- Required Correspondence:
 - 1) Appropriation Award Notification Letter**
 - 2) Authorizing Resolution**
 - 3) Project Scope & Budget**
- Applications may be submitted via email to **Wendy Thompson**:
wendy.thompson@ky.gov
- Application forms can be located on DLG's website:
<https://dlg.ky.gov/grants/state/Pages/default.aspx>



Line-Item Appropriation Access Funding

- Memorandum of Agreement (MOA) is issued after all required application items are received.
- MOA's are sent electronically via email to designated SPGE recipient.
- Require signature from recipient CEO and counsel (if applicable).
- Return signed MOA to DLG electronically via email, DLG Counsel and Commissioner add signatures.
- DLG submits executed MOA to Finance & Administration Cabinet for final approval (5-7 business days).
- DLG sends final approved MOA and RFD form.
- Upon receipt of signed RFD form, DLG issues funding.



Line-Item Appropriation Request for Disbursement

- Request for Disbursement (RFD) form sent electronically via with copy of final MOA.
- RFD form is completed – only requires signature.
- Requires signature from CEO or designated signatory on behalf of Recipient Entity.
- Return signed RFD along with any additional documentation.
- **RFD may be submitted via email to Lisa Dale:**
lisa.dale@ky.gov
- Funds may be used up front or reimbursement.



Line-Item Appropriation Quarterly Reports

- Quarterly Reports (QR) are due on the 30th of the month following the end of each quarter period.
 - 1st Quarter (July-September) Due October 30th
 - 2nd Quarter (October-December) Due January 30th
 - 3rd Quarter (January-March) Due April 30th
 - 4th Quarter (April-June) Due July 30th
- Purpose is to ensure disbursement reporting is consistent with expenditures and financial accounting documentation remain accurate and updated for active projects.
- Required for all active projects (even if funds have not been used).
- QR may be submitted via email to **Lisa Dale**: lisa.dale@ky.gov.



Line-Item Appropriations FAQ

- Local government recipients must follow local and state procurement laws (even if serving as a pass through).
- Funds may be deposited in an interest-bearing account.
- Interest must be expended on the intended scope of work.
- Funds shall not be deposited in an investment account.
- It is suggested to set up a separate project account.
- Not required to be a reimbursement.
- Project activity may begin before executing MOA with DLG.
- Project activity does not have to be completed by the end of fiscal year allocation, but funds must be disbursed.



Questions?

Office of State Grants

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<https://dlg.ky.gov/Pages/index.aspx>