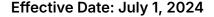
Policy on Interest for Advanced Funds





Purpose:

This policy informs all NOPI, Inc. programs and associated stakeholders about the implementation of a 6% interest rate on all advanced funds. This measure is being introduced to ensure sustainability, financial health, and equitable access to funds for all of NOPI's fiscally sponsored programs.

Scope:

This policy applies to all programs, departments, and associated entities within NOPI, Inc. that receive advanced funds. This policy is in accordance with Section 8 of the Fiscal Sponsorship Agreement (Disbursement of Funds), which states: "Program shall pay interest accrued when a deficit exists between charges and available funds or a receipt is not provided."

Policy:

1. Effective Date:

Effective July 1, 2024, NOPI, Inc. will charge a 6% interest rate on all advanced funds.

2. Definition of Advanced Funds:

Advanced funds refer to any monetary advances provided to programs or departments prior to actual expenditure. Advance funding is contingent upon the submission of an award letter or grant agreement to NOPI.

3. Interest Calculation:

Interest will be calculated at a monthly rate of 6%, based on the previous month's negative balance. The interest will be applied from the date the funds are advanced until the date they are settled. The Monthly APR is derived from the current APY on savings

(our reserve fund) plus an additional 1% interest. Interest is not compounding and is only charged on the deficit before interest.

4. Repayment Terms:

Programs are expected to repay the advanced funds, including the accrued interest, each month following the advance. Failure to repay monthly will result in the continued accrual of interest.

5. Utilization of Advanced Funds:

Programs must utilize the advanced funds strictly for the purposes for which they were granted.

6. Exemptions:

This policy does not apply to reimbursable grants.

7. Non-Compliance:

Non-compliance with this policy may result in suspending further funding or terminating the contract.

Review and Amendments:

This policy will be reviewed quarterly and may be updated as necessary to reflect NOPI's changing needs and circumstances.