

Grant Project Management Procedures

Fiscal Year
2021-2022



South Carolina
Rural Infrastructure Authority



GRANT PROJECT MANAGEMENT PROCEDURES

Table of Contents

Introduction.....	3
I. Grant Management	
Getting Started	4
Progress.....	6
Grant Amendments.....	6
Reports	7
Project Management Forms.....	7
Record Keeping and Monitoring	8
Close Out.....	10
Record Retention	11
II. Financial Management	
Financial Procedures	12
Authorized Officials	13
Allowable Costs	14
Requests for Payment.....	15
Grant Expenditures	16
Match Expenditures	16
Audit.....	16
III. Procurement and Contracts	
General Procurement.....	18
Construction Procurement.....	19
Construction Contracts and Change Orders.....	24
Regional Feasibility Planning Grant Procurement.....	25
Regional Feasibility Planning Grant Contracts and Amendments	27
Appendices	
Typical Grant Period Timeline	29
Signature Requirements	30
Project Forms & Documents	31

Introduction

The South Carolina Rural Infrastructure Authority (RIA) was created under Title 11, Chapter 50 of the South Carolina Code of Laws to select and assist in financing qualified rural infrastructure projects. In 2016, this assistance was extended to qualified infrastructure projects statewide. Qualified infrastructure projects must protect public health and water quality by improving environmental facilities and services or building infrastructure capacity to support economic development and employment opportunities. Eligible infrastructure projects involve water, wastewater and stormwater activities.

RIA helps communities by making strategic investments in infrastructure that are targeted to the following program objectives:

- Improve the **quality of life** by addressing public health, environmental and regulatory concerns;
- Create opportunities for **economic impact** by building infrastructure capacity to support economic development; and
- Increase **community sustainability** by helping to maintain reliable and affordable infrastructure and encouraging regional solutions.

Assistance is offered to local governments and other eligible entities primarily through competitive grants for new or improved infrastructure facilities or studies. Once a grant is approved by RIA's Board of Directors, a Grant Agreement is issued. The Grant Agreement serves as a contract between RIA and a Grantee. The Grant Agreement outlines the terms and conditions of the assistance and specifies the timeframe and other conditions for conducting the project in accordance with the objectives outlined and approved in the application, or as otherwise amended.

These *Grant Project Management Procedures* were developed in order to facilitate implementation of RIA-funded projects in accordance with the grant agreement. Such procedures help to ensure accountability for public funds as well as compliance with program objectives. The information includes financial management, procurement, contractual documentation, reports, record keeping and close-out.

An RIA Grant Program Manager is assigned to every project. RIA staff will conduct a start-up technical assistance meeting to assist new Grantees as well as to help projects get underway and completed in a timely manner. RIA staff are available to support Grantees with implementation throughout the grant. Staff will monitor project activities to document compliance with grant conditions and the project's accomplishments before the grant is closed.

Several changes to these procedures were implemented in 2020 to accommodate working conditions at that time. Many of these have now become permanent procedures and are noted throughout this document.

I. Grant Management

Getting Started

- A **Grant Agreement** and two original **Grant Awards** will be mailed to the Grantee upon approval of the grant application. The grant becomes effective upon return of one original of the **Grant Award** executed by the Chief Executive Official (elected or administrative) and another authorized representative of the Grantee. Both **Grant Awards** must have original signatures and one must be returned to the SC Rural Infrastructure Authority (RIA) **within 45 days of the date of award**. The Grantee will retain the other **Grant Award** in the project files which must be available to the public and RIA upon request.
 - Depending on the type of Grantee, the Chief Executive Official may be the County Administrator, County Council Chairperson, City/Town Manager, Mayor, City/Town Council Chair, General Manager, Executive Director or Board Chairperson. In some cases, other individuals may serve as the Chief Executive Official with approval of the RIA.
 - The other authorized representative must be an employee of the Grantee who witnesses the Chief Executive Official's execution of the **Grant Award**.
- A start-up technical assistance meeting will be scheduled by an RIA Grant Program Manager to review grant procedures as well as roles and responsibilities for the project. Attendees should include those responsible for project implementation as well as the authorized representatives designated on the **Authorized Signatures for Payments and Checks** form. Project engineers and grant consultants should also attend.
- Forms and other information to be completed by the Grantee and submitted to RIA **within 45 days of grant award**, unless otherwise specified, include:
 - **Authorized Signatures for Payments and Checks** form. This form requires designation of at least two authorized representatives for requests for payment and disbursement of grant funds. See Financial Management section for more information.
 - Documentation to address any special conditions specified in the Grant Award.
 - **Subrecipient Agreement** or **Performance Agreement**, if required, **within 60 days of grant award** and prior to execution of the agreement.

Original signatures are required on certain RIA documents as indicated throughout this document. Signatures with *pen and ink* are considered to be original.

- A **Subrecipient Agreement** is required if an entity other than the Grantee will be responsible for implementing any portion of the project. The Grantee must submit a proposed **Subrecipient Agreement** to RIA **within 60 days of grant award** and prior to its execution. Subrecipients include governmental or not-for-profit water and/or sewer organizations.
- For economic development projects that involve job creation, RIA will require a **Performance Agreement** among RIA, the Grantee and the company which has committed to job creation **within 60 days of grant award** and prior to the release of grant funds (unless otherwise approved). RIA will develop the Performance Agreement and the Grantee, working in conjunction with the county or other economic development staff, must have the company execute the Performance Agreement. If the grant is amended, the Performance Agreement may need to be revised. The Performance Agreement specifies:
 - the use of grant funds by the Grantee;
 - the job commitment by the company and timeframe for meeting the job requirement; and
 - that an annual report of progress on the job creation be submitted by the company to RIA.
- A Notice to Proceed will be issued by RIA once the above documentation has been submitted and found to be acceptable. A Notice to Proceed is required prior to incurring any costs against the Grant. If the Grantee needs to incur expenses prior to RIA's notification to proceed, the Grantee must submit a written request and obtain prior written approval from RIA.
 - If the Grantee is ready for construction to begin before RIA has issued a Notice to Proceed (i.e., design is complete, all permits, property, rights of way (ROW) and easements have been obtained and construction bids have been taken), the Grantee should contact RIA for guidance. The procurement procedures and proposed contract must be reviewed by RIA before the construction contract can be executed. Execution of a contract prior to RIA issuing a Notice to Proceed and/or completing its review of the procurement procedures and proposed contract is at the Grantee's own risk and such contract expenditures may not be eligible for payment with Grant funds.
- Once the written Notice to Proceed is issued by RIA, the Grantee may begin the next steps in project implementation consistent with the requirements contained in these procedures as well as the terms and conditions of the Grant Agreement.
- The Grantee must include the **grant number** on all reports, **Requests for Payment** and correspondence related to the grant.

Progress

- The Grantee must take appropriate action to implement the project in a timely manner.
- Projects should be ready to go – meaning that all necessary funding is available and an engineer is authorized to proceed with design, permitting and bidding – when grant funds are approved. If there is an unexpected delay, it is the Grantee’s responsibility to notify RIA immediately and to provide an updated project schedule.
- The project must be substantially underway (i.e., design and acquisition in process) and an RIA Notice to Proceed issued **within 6 months** of the Grant Award. If the Grantee does not take appropriate action to implement the project within 6 months of the Grant Award, RIA reserves the right to rescind the Grant, require the repayment of any Grant funds provided to the Grantee and terminate the project.
- If construction work has not been advertised for bid **within 9 months** of grant award, the Grantee must provide an explanation for delays as well as an updated project schedule showing detailed tasks to be accomplished and estimated completion dates.
- The **Quarterly Progress Report** submitted by the Grantee must reflect the current project status, detail steps taken to address any delays as well as explain how the project will be completed within the grant period.
- The Grantee must complete, or cause to be completed, Basic and Economic Infrastructure Grant projects **within 24 months** of the grant award, unless otherwise approved. Refer to the Appendices for a diagram illustrating the various project milestones for a typical 24-month grant period.
- Emergency and Regional Feasibility Planning Grant projects should be completed and closed **within 12 months** of the grant award, unless otherwise approved.

Grant Amendments

- Grant amendments are required if there are:
 - Requests to extend the grant period (generally, no more than 6 months).
 - Major revisions to the grant scope of work including addition or deletion of activities or customers, or changes in capacity or location of activities.
 - Any change in grant budget line items greater than ten percent (10%).
- Substantial revisions and extensions may require Board approval and may be delayed if the request is not submitted at least 45 days prior to the end of the grant period.

- A **Grant Amendment Request** form must be submitted in writing and in advance to RIA by the Grantee's Chief Executive Official. The request must include a detailed description of the change, the reasons for the change, an updated project schedule, a detailed cost justification and a revised map, if appropriate. RIA has no obligation to approve such a request.

Reports

- The Grantee agrees to submit **Quarterly Progress Reports** that provide a status update and identification of any significant issues affecting the project.
- The initial progress report is due on the first day of the second full quarter after grant award. Progress reports also are due on the first day of each subsequent quarter until final close out of the project.
 - Quarters begin on January 1, April 1, July 1 and October 1.
- Failure to submit **Quarterly Progress Reports** could result in sanctions identified in the Grant Agreement.
- The Grantee must provide other reports or information as requested by RIA in a timely manner.

Project Management Forms

- RIA will provide forms for use in the implementation of RIA grants. Such forms may be updated from time to time or additional forms may be added. The Grantee must use the most current forms, which are available as fillable PDF documents at www.ria.sc.gov, unless otherwise instructed.
- The following forms are made a part of these procedures.
 - Authorized Signatures for Payments and Checks – This form designates persons authorized to make requests for payment on the Grant as well as to sign checks for disbursement of grant funds by the Grantee. The form must have original signatures (with pen and ink) and be returned within 45 days of grant award.
 - Subrecipient Agreement – A **Subrecipient Agreement** is required if a local government applies on behalf of a not-for-profit water/sewer company or if an entity other than the Grantee will be responsible for any portion of the project.
 - Construction Contract Submission Checklist – This form may be used to ensure that all of the required documents are submitted to RIA to allow for a complete and timely review of the construction contract prior to execution.

- Change Order Submission Checklist – This form may be used to ensure that all of the required information is submitted with a change order to prevent any delays with RIA’s review of the request.
- Request for Payment – Requests for grant funds must be made on this form and must be signed by one of the persons authorized by the Grantee in Block 3 of the **Authorized Signatures for Payments and Checks** form.
- Quarterly Progress Report – This report must be submitted by the first day of each quarter, unless otherwise directed, to provide an update on the progress of the grant and to provide an explanation for any delays. If the project is not progressing as planned, your Grant Project Manager may schedule a meeting for technical assistance.
- Grant Amendment Request – This form should be used to request major changes in the approved scope of work, budget line item changes of 10% or greater and any extensions of the grant period.
- Close-Out Report and Final Certifications – A final close-out report of grant expenditures and accomplishments must be submitted at project completion and approved by RIA prior to grant close out.

Some RIA forms require original signatures. If an original signature (with pen and ink) is not required, submission by e-mail with an electronic signature is acceptable.

Record Keeping and Monitoring

- The Grantee must maintain all project/grant related records for review by RIA or another State agency as may be required to ensure timely completion of the project and compliance with the terms and conditions of the Grant Agreement as well as program procedures.
- Files should include the following:
 - Application and Grant Agreement
 - ✓ Approved RIA Grant Application
 - ✓ Grant Award Letter from RIA Chairman
 - ✓ Grant Agreement Letter from RIA Executive Director
 - ✓ Executed Grant Award (original document with pen and ink signatures)
 - ✓ Documentation of clearance of any grant conditions
 - ✓ RIA Notice to Proceed
 - ✓ Approved grant amendments
 - ✓ General correspondence

- Financial
 - ✓ **Authorized Signatures for Payments and Checks** form
 - ✓ Project Budget by activity
 - ✓ **Requests for Payment** on the grant
 - ✓ Back-up documentation and approval of grant expenditures on the project (invoices, construction draw requests, purchase orders, etc.)
 - ✓ Documentation of expenditure of matching and other funds for the project
 - ✓ Monthly bank statements for reconciliation
 - ✓ General Ledgers
 - ✓ Annual Audit
- Contracts and Agreements
 - ✓ Executed **Subrecipient Agreement** (if applicable)
 - ✓ Executed **Performance Agreement** (if applicable)
 - ✓ Grantee procurement policy (if applicable)
 - ✓ Procurement documentation for all goods and services (advertisement, method of procurement, bid package, certified bid tabulation, recommendation to award, etc.)
 - ✓ Documentation to show ownership of any project-related real property, easements or rights of way
 - ✓ Executed copies of all project-related contracts
 - ✓ RIA review letter for construction contract
 - ✓ Executed contract(s) for construction
 - ✓ Permits
 - ✓ Bonding and insurance documents
 - ✓ Contractor pay requests and approvals
 - ✓ RIA review letter for change order(s)
 - ✓ Executed change orders
- Reports and Project Schedule
 - ✓ **Quarterly Progress Reports** for each quarter
 - ✓ Updated project schedule
- Monitoring
 - ✓ Monitoring letter and report
 - ✓ Grantee response and clearance of any issues
- Close Out
 - ✓ **Close-Out Report and Final Certifications**
 - ✓ **Grant Award Decrease for Grant Close-Out** (if applicable)
 - ✓ Documentation of Accomplishments
 - ✓ Digital photos (recommended)
 - ✓ Certified "as built"/record drawings or engineer's certification
 - ✓ Final Waiver of Liens
 - ✓ Permit to Operate (if applicable)
 - ✓ Letter of Final Close Out from RIA

- Project/grant records shall be made available for random audit and review by the State upon issuance of a minimum 24-hour advance notice.
- Generally, RIA will provide a 10-day advance notice of any review and such review will be done during normal work hours.
- If the Grantee fails or refuses at any time to comply with any of the terms and conditions of the **Grant Agreement**, RIA may take, in addition to any relief that it is entitled to by law, any or all of the following actions:
 - Require repayment of all or a portion of any Grant funds disbursed;
 - Cancel, terminate, or suspend, in whole or in part, the Grant; or
 - Refrain from extending any further assistance or Grant funds to the Grantee until such time as the Grantee is in full compliance with the terms and conditions of the Grant Agreement.

Close Out

- A **Close-Out Report and Final Certifications** of grant expenditures and accomplishments must be submitted at project completion. The report may include the following information or other information as may be required by RIA:
 - Documentation for all Grant expenditures in accordance with the approved project budget and scope of work;
 - Written certification of all expenditures for matching funds or other leveraging spent on the project prior to close out of the Grant;
 - Certified "as-built"/record drawings or certification by the project engineer that the project was constructed in accordance with the approved grant application or amended scope of work approved by RIA;
 - A quantified description of the project accomplishments as well as the impact on the system and community as a whole;
 - An agreement to provide maintenance of facilities, structures, or other improvements paid for, in whole or in part, with Grant funds; and
 - Submission of the following additional documentation:
 - Final Waiver of Liens
 - Permit to Operate (if applicable)
- Any unexpended grant funds on hand at project completion shall be returned to RIA.
- The Grantee may not retain surplus Grant funds that result from project cost underruns. Any remaining grant funds will be deobligated from the grant prior to project close out

with a **Grant Award Decrease for Grant Close-Out** executed by the Grantee and submitted to RIA. If needed, two original Grant Award Decrease for Grant Close-Out documents will be provided to the Grantee. Both documents should contain original signatures (with pen and ink) with one returned to RIA and the other placed in the Grantee's project file.

- The project will be considered complete when all RIA-approved activities have been finished and the **Close-Out Report and Final Certifications** as well as documentation of Grant funds expended, accomplishments and any other information required by RIA have been submitted. RIA may conduct a desk review or an on-site monitoring of the project and documentation prior to close-out.
- A grant project may be closed by RIA once construction is complete and all required close-out documentation has been submitted to RIA. If the RIA-funded project is part of a larger construction contract, the grant may be closed if the RIA-funded portion of the contract is 100% complete and all RIA funds plus any required match has been expended. A Permit to Operate for the RIA-funded improvements must also be issued (if applicable) for the grant to be closed. If a Permit to Operate is not available, but all other close-out requirements have been met, the grant may be conditionally closed.
- RIA will issue a notification in writing to the Grantee of the closure of the Grant.
- When a **Performance Agreement** has been executed as a requirement of the Grant, the Grantee must work with the company to ensure that annual reports regarding job creation requirements are submitted to RIA in a timely manner. If the Grant has been amended, the Performance Agreement may also require an amendment prior to grant close out.
 - The company must provide evidence (e.g., payrolls, employee listings) of the number of jobs created in accordance with the Performance Agreement.
 - RIA will issue a written notification to the company and Grantee when the performance requirements have been met.

Record Retention

- The Grantee shall maintain records relating to procurement matters for the period of time prescribed by applicable procurement laws, regulations and guidelines, but no less than three years following grant close out
- All other pertinent grant and project records including financial records, supporting invoices, receipts or other financial documentation, contracts, agreements, reports and other records shall be retained for a minimum of three years after notification in writing by RIA of the closure of the Grant and after any required audits have been completed.
- However, if any litigation, claim, or audit is initiated before the expiration of any such period, then records must be retained for three years after the litigation, claim, or audit is resolved.

II. Financial Management

Financial Procedures

- The Grantee must maintain a financial management system using generally accepted accounting principles to provide adequate accountability for the Grant.
 - The Grantee's records must disclose accurate information about the grant award, obligations, unobligated balances, assets, liabilities, expenditures and revenues. Records should include a cash receipts journal, cash disbursements journal and a general ledger.
 - The Grantee's financial management system should have a cash management system that minimizes the time between receipt and disbursement of grant funds.
 - The Grantee's financial management system must have budget control procedures that make it possible to compare actual expenditures with budgeted amounts for each supported activity and to correct any variances.
 - The Grantee's financial management system must make it possible to relate financial information to performance or productivity.
 - The Grantee's financial management system must also have sound internal control procedures that cover cash, real and personal property and other assets.
- All accounting records must be supported by source documentation. This documentation must show that expenditures occurred during the grant period, were only for allowable costs and were approved by authorized officials. Records should also document that checks were only written for invoiced amounts.
- The Grantee must maintain separate accounting records for each new grant awarded and track grant transactions separately. In some cases, it may be appropriate to establish a separate bank account to help in tracking grant funds.
- The State Treasurer's Office (STO) will issue checks or make electronic payments/direct deposits for RIA grant payments. Direct deposits will be made to the Grantee's bank account set up through the STO for other state payments. In such cases, Grantees will need to credit the RIA grant payments to the account designated for this RIA grant. If a direct deposit account has not been established with the STO, it is recommended that an account be established at www.Treasurer.sc.gov/ach prior to submission of the **Authorized Signatures for Payments and Checks** form to RIA. You may request that the STO designate the terms to be "immediate payment" by writing a letter and providing justification to the STO.

Until such time as you are enrolled in the electronic payment/direct deposit method, checks will be sent directly to the mailing address on file with the STO for the Grantee.

Such checks must be immediately deposited upon receipt into the bank account designated for this RIA grant. Checks will typically be mailed to the address which was listed on the Grantee's previously filed federal *Request for Taxpayer Identification Number and Certification Form (W-9)*. The W-9 form may have been filed many years ago and may require updating. If there has been a change of address, please notify the STO as well as RIA immediately.

- If a Grantee would like to use alternate financial procedures from those included in this document, such procedures must be detailed in writing and submitted in advance to RIA for consideration. Alternate procedures must reflect generally accepted accounting procedures and internal controls. In addition, the Grantee may be required to provide a written certification that there have been no audit findings related to such financial management and internal control procedures in the previous two years. If approved, use of the alternate procedures will be applicable to any RIA grants awarded within the following five-year period.
- Failure to comply with RIA financial procedures or to submit alternate procedures for prior approval by RIA may result in sanctions as listed in the Grant Agreement.

Authorized Officials

- The Grantee must designate officials that are authorized to review and certify requests for payment of grant funds and to make disbursements in a timely manner for eligible expenses that do not exceed the grant award. This designation means that only authorized individuals will be permitted to request grant payments and sign checks for the expenditure of grant funds.
- The Grantee shall designate at least two financial representatives who are authorized to request payments and sign checks in Block 3 of the **Authorized Signatures for Payments and Checks** form. The form is able to accommodate six representatives who may be authorized to request grant funds and sign checks. This allows several options for providing two signatures on all checks for grant-funded activities. However, additional forms may be submitted to accommodate more authorized signatures, if necessary. Original signatures (with pen and ink) are required on this form.
- The Grantee's Chief Executive Official must authorize the designated financial representatives, unless otherwise designated by state or local law. If the Chief Executive Official also needs to request payments or sign checks, then the next highest elected official or Board official must authorize the signatures on the form. The following examples are provided to ensure that the **Authorized Signatures for Payments and Checks** form is completed accurately.
 - The Town Administrator authorizes the Town Clerk and Financial Manager to request funds and sign checks.

- The Mayor authorizes the Town Administrator and Financial Manager to request funds and sign checks.
- The Council Chair (or Mayor Pro-Tem) authorizes the Mayor and the Town Administrator to request funds and sign checks.
- The Executive Director of a Water/Sewer Authority authorizes the Finance Director and Finance Clerk to request funds and sign checks.
- The Board Chairperson of a Water/Sewer Authority authorizes the Executive Director and Finance Director to request funds and sign checks.
- The person authorizing the financial representatives may not sign **Request for Payment** forms or checks. Only those persons listed in Block 3 of the **Authorized Signatures for Payments and Checks** form may sign RIA's **Request for Payment** form or the checks to pay for expenditures with RIA funds.
- If there is a change in personnel, a new **Authorized Signatures for Payments and Checks** form may be submitted to RIA in advance of further **Request for Payment** submissions or expenditures by checks.

Allowable Costs

- Grant funds shall be used only for specified activities approved in the grant application, unless otherwise approved in writing by RIA.
- For Basic and Economic Infrastructure grants, grant funds may be used for approved construction activities. Ineligible grant expenses include, but may not be limited to, any non-construction costs such as engineering, legal fees, acquisition of property including easements or rights-of-way, permitting and application or administrative expenses. Service lines or connections on private property, impact fees, operating or maintenance expenses, or furnishings and fixtures that are not permanently attached to improved facilities are generally ineligible as well. Such costs that are related to the project must be paid for with non-RIA funds.
- For the Regional Feasibility Planning grants, engineering and other consultant fees (except grant administration) are eligible activities for RIA grant funds.
- Funds obligated or expended prior to the grant award or activities that have not received written approval from RIA shall not be eligible for payment by Grant funds.
- Grant funds may not be used to reimburse in-kind labor. However, in-kind expenses may be counted toward the matching requirement, if approved by RIA and properly documented.

- The Grantee is responsible for cost overruns required to complete the project, unless otherwise approved.

Requests for Payment

- Prior to the first **Request for Payment**, the Grantee must ensure that any **Subrecipient Agreements** and/or third-party contracts have been reviewed and authorized by RIA. In some cases, RIA may also require a review of the construction contract's schedule of values.
- The Grantee must submit a **Request for Payment** form for eligible expenses and documentation as follows:
 - The Grantee will certify, to the best of its knowledge, information and belief that the work on the project for which payment is requested has been in accordance with the terms and conditions of the Grant Agreement.
 - Invoices or other documentation (including change orders to the contract), that RIA may reasonably require to document the incurred expenses, must be submitted with the **Request for Payment**. Such invoices must be certified as valid expenses by an official representative of the Grantee who is knowledgeable about the work that has been completed.
- Requests for payment must be submitted using forms approved by RIA and may be signed by any one of the officials listed in Block 3 on the **Authorized Signatures for Payments and Checks** form.
- Requests for payment may be submitted on an advance or reimbursable basis. Requests will only be considered if there is an approved invoice for eligible work or services completed that is due and payable. Reimbursement requests must be accompanied by a copy of the check written to the contractor for the RIA-eligible work.
- Payment requests must be approved by RIA in accordance with the approved scope of work and budget. Checks or deposits are issued from the State Treasurer's Office and will be mailed to the Grantee or directly deposited into the Grantee's designated bank account. The Grantee will receive notification from RIA when the payment was made.
- RIA may make, and the Grantee shall accept, full or partial disbursements for actual, eligible expenses up to the total grant amount as provided in the Grant Agreement.
- RIA may issue payments jointly to the Grantee and a vendor supplying goods or services on the project, if deemed appropriate.

Grant Expenditures

- Grant funds received by the Grantee must be disbursed in a timely manner, generally within 10 days of the date of receipt/deposit.
- Unless otherwise authorized by RIA, there should be two original signatures on all checks for grant-funded expenses. These signatures must be of two of the officials listed in Block 3 on the **Authorized Signatures for Payments and Checks** form.
- Disbursements of RIA funds should only be made for work (materials or labor) that has been completed in accordance with the contract and any approved change orders.
- All financial documentation (e.g., executed purchase orders or contracts, approved contractor payment requests or invoices, etc.) supporting the Grantee's requests for payment and the disbursement of grant funds must be kept on file and be available for inspection at any time.

Match Expenditures

- Generally, grant disbursements should be made on a pro-rata basis with the Grantee's required match, if applicable, for eligible expenditures unless RIA's funds are designated for specific line item(s) or unless otherwise approved.
- The Grantee is required to keep appropriate financial documentation (including purchase orders, invoices, contractor pay requests, checks, bank statements, etc.) to demonstrate the required match has been provided, if applicable.
- In order to document other funds spent on project-related activities, the Grantee may be requested to validate the total project expenditures.

Audit

- The Grantee must include an examination and accounting of the expenditures of Grant funds in its first annual audit following the completion of the project, and make a copy of the audit report available to RIA or its designated representative, if requested.
- The audit must adhere to the following requirements, whichever is applicable:
 - Generally accepted auditing standards established by the American Institute of Certified Public Accountants (AICPA); or
 - The General Accounting Office (GAO) Standards for Audits of Governmental Organizations, Programs, Activities, and Functions, latest revised edition (Yellow Book).

- The Grantee must notify RIA of any audit findings related to RIA's grant or general grant management and will reimburse RIA for unauthorized and unwarranted expenditures disclosed in the audit, if so directed by RIA.
- Failure to comply with state audit requirements could impact a Grantee's ability to receive future RIA grants until such compliance is achieved.
- Upon request of RIA, the Grantee shall make available, and cause any contractor to make available, for audit and inspection by RIA and its representatives all the books, records, files and other documents relating to any matters pertaining to the project.

III. Procurement and Contracts

General Procurement

- All purchases of goods and services funded, in whole or in part, with the grant shall be made according to the established procurement laws, regulations and guidelines of the Grantee, provided that its policies are substantially in conformance with the Model Procurement Ordinance for Local Governments developed in accordance with the SC Consolidated Procurement Code.

If the Grantee has no procurement laws, regulations or guidelines, the procedures outlined in "Article 5: Source Selection and Contract Formation" of the SC Consolidated Procurement Code may be used as a guideline for the procurement of goods and services and "Article 9: Construction, Architect-Engineer, Construction Management, and Land Surveying Services" for construction funded, in whole or in part, with an RIA grant.

Likewise, the procedures outlined in Article 5 of the SC Consolidated Procurement Code and "Chapter 4: Procuring Professional Services Independent of Construction Services" of the SC Manual for Planning and Execution of State Permanent Improvements may be used as a guideline for the solicitation of proposals for planning studies funded, in whole or in part, with an RIA grant.

A model local government ordinance is available on RIA's website on the Forms & Documents page.

- Solicitations must clearly explain all requirements that the bidder/offeror must fulfill in order for his or her bid/offer to be evaluated by the Grantee. Solicitations for goods and services as well as construction must be based on a clear and accurate description of the material, product, or work to be performed, and cannot contain features which unduly restrict competition. Some of the situations that may be considered to be restrictive of competition include, but are not limited to:
 - Placing unreasonable qualifying requirements on bidders/offerors.
 - Requiring unnecessary experience and excessive bonding.
 - Requiring mandatory attendance at pre-bid conferences (unless it's a complicated project).
 - Allowing non-competitive pricing practices between firms or affiliated companies.
- The Grantee should take all necessary and reasonable steps to ensure that minority business enterprises, as defined in state law, have the maximum opportunity to participate in the performance of contracts and subcontracts financed, in whole or in part, with funds provided by RIA.

- The Grantee may not award contracts to any contractors who are ineligible to receive contracts under any applicable laws or regulations of the state.
- If the Grantee fails to adhere to procurement procedures that are in conformance with the Grant Project Management Procedures, RIA may call for repayment by the Grantee of Grant funds that were expended in a disallowable manner or the Grantee may be subject to other sanctions as referenced in the Grant Agreement.
- Any disputes arising out of a contract funded, in whole or in part, with grant funds are the responsibility of the Grantee and should be resolved in a timely manner in accordance with applicable contract conditions, local procedures and/or state requirements.
- Upon request, the Grantee must make available to the Grantee's auditor, RIA and its representatives, as well as the public, the Grantee's records and other documentation of the procurement process for the approved grant project.

Construction Procurement

- The Grantee should obtain all necessary federal, state and/or local permits required for the construction of grant-funded improvements prior to bid advertisement, unless otherwise authorized.
- The Grantee must certify that all necessary real property and/or right of ways/easements have been acquired prior to bid advertisement, unless otherwise authorized.
- Article 3 of the Model Procurement Ordinance for Local Governments establishes competitive sealed bidding as the preferred method of procurement for construction. For RIA-assisted construction contracts, competitive sealed bids will be required unless local procurement laws, ordinances, regulations or guidelines specify the use of other source selection methods. Please consult with RIA on the use of other selection methods.
- RIA does not provide a standard bid package or contract agreement for construction. Grantees should refer to the Engineers Joint Contract Documents Committee (EJCDC) standard contract documents available from the American Society of Civil Engineers (ASCE), the National Society of Professional Engineers (NSPE), the Associated General Contractors of America (AGC) or similar organizations.
- Bids should include all work approved in the RIA application budget and cost estimate. Bids must include quantities and itemized costs for all work to be completed. In the event the activity being bid does not reasonably lend itself to unit price bidding, then a schedule of values with such detail must be obtained from the low bidder and submitted to RIA for approval prior to disbursement of grant funds.

- In general, contingency and allowances that are itemized in a bid must be paid for with other funds. Changes to the scope of work in a construction contract must be documented through the change order process.
- The minimum required work should be included in the base bid. Where feasible, alternates may be included in the event that bids come in under or over budget. If alternates are used, the bid document must clearly indicate how the low bid will be determined.
- To ensure maximum competition, a single brand name should not be used in the bid specifications unless an "or equal" clause is included. When "or equal" is used, the specifications should also identify the essential features required to determine that a product/manufacturer is equal.
 - According to state procurement guidelines, if an "or equal" clause is not included, multiple acceptable brand names should be provided. However, if a single brand is specified without an "or equal" clause, it is considered a sole source and justification must be provided to RIA for review.
- The Grantee must submit any sole source or emergency procurement documentation for RIA review in advance of contract execution.
- It is recommended that the construction contract require retainage to be withheld from payments to the contractor in an effort to ensure timely completion of the project.
- While the Model Procurement Ordinance for Local Governments does not specify a dollar limit for contracts or purchases, "Article 5: Source Selection and Contract Formation" of the SC Consolidated Procurement Code specifies the following:

Small purchases under \$100,000 (Section 11-35-1550):

- Up to \$10,000 – A single quote is acceptable if price is certified by Grantee to be fair and reasonable.
- Over \$10,000 and up to \$100,000 – A written request for written quotes from a minimum of three qualified sources must be made and documentation of at least three responsive and responsible quotes must be maintained unless adequate public notice is provided in the South Carolina Business Opportunities or through other central electronic advertising. The award must be made to the lowest responsible and responsive offeror.

Construction Contracts and Purchases of \$100,000 or more (Section 11-35-1520):

- Prepare an invitation for bids and solicit competitive sealed bids or proposals.

A notice of the invitation for bids or proposals must be issued, allowing a reasonable time – typically 30 days – prior to bid opening. Such notice must include advertising in the South Carolina Business Opportunities.

- Bid solicitations must include specifications and all contractual terms and conditions applicable to the procurement.
- Bids must be publicly opened on a date and time designated in the invitation for bids in the presence of one or more witnesses. The name and amount of each bid and any other relevant information must be recorded.
 - Local procurement policies as well as the requirements of other funders should be followed regarding the conduct of public bid openings.
 - If a virtual, public bid opening is desired, the Grantee must ensure that such a format is consistent with applicable procurement policies and other requirements. Such bid openings should be advertised in advance and instructions on how and when to access such meetings should be made available (e.g., included in Instructions to Bidders).
 - If a virtual, public bid opening is held, a representative of the Grantee and a witness (which could be the project engineer), at a minimum, should be physically present for the bid opening.
- Award should be made to the lowest responsive and responsible bidder whose bid meets the requirements in the bid documents.
- A notice of an intended award must be posted for five business days and sent electronically to all bidders on the same day, with a statement of the bidder's right to protest. If only one bid is received and it is determined to be responsive and responsible as well as within the construction budget, an award may be made without posting a notice of an intended award.
- Any Notice of Intent to Award or Notice of Award should not be issued until RIA's review of the contract documents and procurement process is complete. In any case, the Grantee must ensure that bids do not expire prior to entering into a contractual obligation.
- If bids received pursuant to an invitation for bids exceed available funds, and it is determined that circumstances do not permit the delay required to resolicit competitive sealed bids, and the base bid, less deductive alternates, does not exceed available funds by an amount greater than 10% of the construction budget established for that portion of the work, a contract may be negotiated with the lowest responsible and responsive bidder. The governmental body may change the scope of the work to reduce the cost to be within the established construction

budget but may not reduce the cost below the established construction budget more than 10%. (Section 11-35-3020)

- For bids that exceed the construction budget by more than 10%, it may be appropriate to revise the scope of work and re-bid the project or commit additional funding to the project. A **Grant Amendment Request** may also be required. The Grantee is required to provide RIA with a written commitment for any additional funds required for construction prior to executing the contract.
- For construction contracts exceeding \$100,000, the Grantee should obtain:
 - A bid guarantee from each bidder equivalent to at least 5% of the bid price. The "bid guarantee" must be a firm commitment in the form of a bid bond, certified check or other negotiable instrument as assurance that the bidder is prepared to execute a contract within the time specified for the bid amount.
 - A performance bond from the contractor for 100% of the contract price to secure the contractor's fulfillment of all obligations under the contract.
 - A payment bond from the contractor for 100% of the contract price to assure payment of all persons supplying labor and material under the contract.
- The Grantee must submit to RIA all proposed construction contracts for work within the scope of the Grant prior to executing those agreements. The **Construction Contract Submission Checklist** may be used to ensure the required documents are submitted to RIA for review. In addition to the submission of the contract for review, the Grantee must submit the following to RIA for review.

Contract Submission Requirements:

- Construction bid packages (including the instructions to bidders, general conditions, specifications, drawings and addenda),
- Evidence of bid advertisement and dates,
- The certified bid tabulation and recommendation of award including the contract amount and any accepted alternates (an explanation of any bid discrepancies should also be provided),
- Copy of the winning bidder's response,
- Bid bond,
- Contract agreement (complete but unexecuted),
- Certification by the Grantee that all necessary property, ROW and/or easements have been acquired,
- Certification by the Grantee that any required federal, state and/or local permits have been secured and
- Commitment of additional non-RIA funds (if applicable).

Construction Contracts Using Alternate Delivery Methods (11-35-2910)

- “Article 9: Construction, Architect-Engineer, Construction Management, and Land Surveying Services” in the SC Procurement Code allows for alternate construction delivery services for infrastructure facilities. Most RIA Grantees will utilize the Design-Bid-Build delivery method for the procurement of construction contracts. Alternate delivery methods – such as Design-Build and Construction Manager at Risk – may be utilized for more complicated projects. These alternate delivery methods may be used on projects funded, in whole or in part, with grant funds if such procedures are allowed in written, local procurement policies and procedures. Grantees that desire to use an alternate delivery method on an RIA-funded project should submit a request to RIA in writing outlining the rationale and process. Please consult with RIA staff for guidance prior to selecting such a method. In addition, contract documents should not be executed prior to RIA review. The Grantee must generally submit the following information to RIA for review.

Alternate Delivery Contract Submission Requirements:

- Procurement package (including the instructions to bidders, general conditions, specifications, drawings and addenda),
 - Evidence of bid advertisement and dates,
 - An evaluation and ranking of the bids or proposals received and the recommendation of award,
 - Copy of the selected offeror’s response,
 - Certification that the alternate delivery method selected adheres to local and/or state procurement policies,
 - Bid bond,
 - Contract agreement,
 - Certification by the Grantee that all necessary property, ROW and/or easements have been acquired or will be acquired prior to construction,
 - Certification by the Grantee that any required federal, state and/or local permits have been secured or will be prior to construction (when available),
 - Commitment of additional non-RIA funds (if applicable), and
 - Additional project-specific information requested by RIA.
- The Grantee must not begin the construction phase of the project until RIA has issued a Notice to Proceed and approved the alternate delivery method.
 - RIA grant funds may only be used for approved construction activities related to the project.
 - Grantees that utilize alternate delivery methods may be required to provide RIA with detailed project and cost updates (e.g., guaranteed maximum price) – in

addition to those required elsewhere – at intervals appropriate to the delivery method being used.

- While not required, any signs to be installed at the project site must be pre-approved by RIA and must acknowledge funding by RIA.

Construction Contracts and Change Orders

- The Grantee is responsible for implementation of the project in accordance with the program requirements notwithstanding the Grantee's designation of, or contract with, any third party or parties for the undertaking of all or any part of the project.
- The Grantee must provide RIA with a copy of the construction Notice to Proceed.
- All change orders must be submitted to RIA for review.
 - Major change orders must be submitted to RIA for review in advance of being fully executed. A major change order involves adding or deleting primary activities or represents more than a 10% change in quantities or total contract price.
 - If a change order involves a major change in the scope of work, cost or location of activities, a **Grant Amendment Request** may also be required. Such change orders should not be executed until RIA has reviewed and approved the grant amendment.
 - Minor change orders must be submitted with or prior to the next **Request for Payment** of grant funds as part of the invoice documentation.
 - If all grant funds have been expended, submit all subsequent change orders prior to the final payment on the contract.
- In addition to the submission of the change order for review, the Grantee must submit the following to RIA:

Change Order Submission Requirements:

- Contract change order form indicating engineer's recommendation,
- Description of changes to the contract including itemized quantities and costs,
- Engineer's justification of the need for the change order,
- Documentation of how costs were determined if different from the contract unit prices and determination by the engineer that such costs are reasonable,
- Map showing location of any new or revised activities, and
- Commitment letter from the Grantee for any costs which exceed or are not covered by RIA's grant or other construction funding commitments previously approved.

- The **Change Order Submission Checklist** may be used to ensure that the required information is submitted to RIA for review.
- Construction is considered complete when all contract requirements have been fully met and a permit to operate has been obtained by the Grantee (if a permit is required).
- The final release of liens should be obtained from the contractor prior to or concurrent with the release of the final contract payment.

Regional Feasibility Planning Grant Procurement

- The SC Consolidated Procurement Code (Section 11-35-1530), outlines procedures for competitive sealed proposals. This is the preferred method of procurement for RIA-assisted planning studies including professional services for planning, engineering and other consultants not related to construction projects.
- RIA does not provide a standard request for proposals (RFP) package or contract agreement for planning studies. Grantees should ensure that such documents adhere to all RIA grant program requirements including those listed in the General Procurement section of this document.
- Proposals should include all work approved in the RIA application budget and cost estimate. Proposals must correspond to each deliverable to be included in the contract documents and include a payment schedule. If necessary, RIA may require further detail prior to the disbursement of grant funds.
- When using the RFP process, the following steps should be followed.
 - The Grantee must develop a written RFP outlining the scope of the services required and the selection criteria. The RFP must clearly explain all technical and financial requirements that the bidder/offeror must fulfill in order for its bid/offer to be evaluated by the Grantee. Solicitations for planning studies must be based on a clear and accurate description of the work to be performed.
 - RFPs must require the bidder/offeror to submit detailed qualifications of the firm and personnel to be involved with the contract.
 - The request for proposals must state the relative importance of the factors to be considered in evaluating proposals. A numerical weighting for each factor is not required, but could be included. Price may be an evaluation factor.
 - Proposals may be directly solicited from qualified firms in addition to notice of the RFP being issued, allowing a reasonable time – typically 15-30 days – prior to bid opening. Such notice must include advertising in the South Carolina Business Opportunities.

- A qualified review committee, consisting of an uneven number of members, must be established to review and rank the proposals using the published selection criteria. The Grantee must document the review and selection process.
 - Proposals must be evaluated using only the criteria stated in the request for proposals. Such criteria may include, but are not limited to, qualifications of personnel, past performance and experience on similar projects as well as the ability to meet the project schedule. Once the evaluation is complete, all responsive offerors must be ranked from most advantageous to least advantageous to the Grantee, considering only the evaluation factors stated in the request for proposals.
 - Award must be made to the responsible offeror/bidder whose proposal is determined in writing to be the most advantageous to the Grantee, taking into consideration the evaluation factors set forth in the request for proposals. Under this procurement method, the contract does not need to be awarded to the lowest bidder provided that the final price is reasonable and the selection is made following the stated criteria.
- It is recommended that the contract require final payment to be withheld until approval of the final deliverable.
 - While competitive sealed proposals are recommended in most cases, "Chapter 4: Procuring Professional Services Independent of Construction Services" of the SC Manual for Planning and Execution of State Permanent Improvements provides guidelines for an alternate method of procurement for smaller studies. Please consult with RIA on the use of this selection method.
 - The Grantee must submit to RIA all proposed planning study contracts for work within the scope of the Grant prior to executing those agreements. The **Regional Feasibility Planning Grant Contract Submission Checklist** may be used to ensure the required documents are submitted to RIA for review. In addition to the submission of the contract, the Grantee must submit the following to RIA for review.

Contract Submission Requirements:

- Contract request for proposals package (including the instructions to bidders, general conditions, specifications, evaluation criteria and addenda),
- Evidence of solicitation and dates,
- The committee ranking and recommendation of award including the contract amount,
- Copy of the winning offeror's response,
- Contract agreement (complete but unexecuted),
- Commitment of additional non-RIA funds (if applicable).

Regional Feasibility Planning Grant Contracts and Amendments

- The Grantee is responsible for implementation of the Regional Feasibility Planning Grant in accordance with the program requirements notwithstanding the Grantee's designation of, or contract with, any third party or parties for the undertaking of all or any part of the project.
- All contract amendments must be submitted to RIA for review in advance of being executed.
 - If a contract amendment involves a major change in the scope of work, a **Grant Amendment Request** may also be required. Such contract amendments should not be executed until RIA has reviewed and approved the grant amendment.
- In addition to the submission of the change order for review, the Grantee must submit the following to RIA:

Contract Amendment Submission Requirements:

- Description of changes to the contract including the corresponding cost adjustment,
 - Justification of the need for the contract amendment,
 - Documentation of cost reasonableness, and
 - Commitment letter from the Grantee for any costs which exceed or are not covered by RIA's grant or other funding commitments previously approved.
- The **Regional Feasibility Planning Grant Amendment Submission Checklist** may be used to ensure that the required information is submitted to RIA for review.
 - The project is considered complete when all contract requirements have been fully met and a final planning study report has been provided to the Grantee.
 - RIA must be provided a copy of the draft final report for review prior to issuance of the final payment on the study contract in order to ensure that all project elements have been appropriately addressed.

Appendices

Typical Grant Period Timeline.....29

Signature Requirements.....30

Project Forms & Documents.....31

- Subrecipient Agreement
- Authorized Signatures for Payments and Checks
- Request for Payment
- Quarterly Progress Report
- Construction Contract Submission Checklist
- Change Order Submission Checklist
- Grant Amendment Request
- Close-Out Report and Final Certifications

All project forms are available as fillable PDFs at www.ria.sc.gov.

Typical Grant Period – 24 Months

0-6 Months

- Receive grant award
- Submit initial paperwork
- Attend start-up meeting
- Confirm any additional funding necessary
- Work with engineer on project design

6-12 Months

- Secure easements and acquire property
- Obtain permits
- Prepare bid documents
- Advertise for bids (30 days)
- Evaluate bids
- Award construction contract
- Pre-construction conference and Notice to Proceed

12-18 Months

- Construction starts
- Progress inspections
- Review and process change orders
- Request and receive grant payments based on invoices
- Make disbursements

18-24 Months

- Construction ongoing
- Construction complete
- Participate in grant monitoring
- Obtain Permit to Operate and as-built drawings
- Submit close-out report
- Close grant project

Signature Requirements

Original signatures (with pen and ink) are required on certain RIA documents. The following table is provided to assist Grantees in ensuring that original signatures are provided where needed.

Original signatures are required on the following RIA documents	Original or electronic signatures are acceptable on the following RIA documents
<ul style="list-style-type: none">• Grant Award• Authorized Signatures for Payments and Checks form• Grant Award Decrease for Grant Close-Out (if applicable)	All other RIA documents not listed in the first column

Subrecipient Agreement

BETWEEN _____(Grantee) AND _____(Subrecipient)

This Agreement by and between _____ as the recipient (“Grantee”) of grant funds from the SC Rural Infrastructure Authority (RIA) under grant # _____ (“Grant”) for (*project title*) and _____ as the Subrecipient (“Subrecipient”) of the Grantee do mutually agree to the terms and conditions stated herein and agree that no funds will be disbursed prior to the date of the execution of this Subrecipient Agreement (the “Agreement”). This Agreement will remain in effect until the Grant is closed, the project is complete, and required audits have been conducted. Any modification or amendment to this Agreement must be made in writing and is subject to the requirements of the RIA.

The application that was approved by RIA in connection with the Grant (the “Application”) is incorporated by reference in this Agreement. Any provisions contained herein which are found to be inconsistent with the RIA program requirements, or its implementing authority, will be deleted or appropriately modified as directed by the RIA.

Purpose: It is the purpose and intent of this Agreement to enable the Grantee to provide Grant funds to the Subrecipient for carrying out the project described in the Application which was approved and funded by the RIA pursuant to the Grant.

Under this Agreement, the Grantee is still responsible for the overall administration, compliance and monitoring of the use of the Grant funds in accordance with RIA program requirements.

Description of Work: (*BE VERY SPECIFIC*)

The Subrecipient will be responsible for administering the following activities in a manner satisfactory to the Grantee and consistent with RIA requirements and other standards imposed as a condition of providing the Grant funds.

- a. Location of Improvements: *Describe the location of work to be performed by the Subrecipient.*
- b. Scope of Work: *Describe in detail the specific activities to be conducted by the Subrecipient.*
- c. Performance Accomplishments: *Include measureable accomplishments to be achieved (number of customers served, jobs created/retained, consent orders resolved, etc.)*
- d. Roles and Responsibilities of Each Party: *List the major tasks and entity responsible (i.e. Acquisition, Engineering Design, Procurement and Oversight of Construction Contract(s), Operations and Maintenance, etc.)*

Time of Performance:

Services of the Subrecipient shall commence on _____ (date) and is expected to be complete on _____ (date). The terms of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains responsible for carrying out the approved activities. This timeframe must conform to the RIA grant period.

Budget for Activities:

The total budget to be provided to the Subrecipient by the Grantee for this project is \$ _____. The total amount of funds committed to this project by the Subrecipient is \$ _____. Following is a summary of the uses and sources of such committed funds.

Uses	Sources	Amount

Payments: The Subrecipient will request needed Grant funds by submitting a request for payment (e.g., invoice) to the Grantee. The Grantee will submit a request for payment to RIA for the disbursement of grant funds. The request must be for eligible expenses only and must include an invoice for the expenses incurred under the Grant. Grant funds must be expended immediately upon receipt. Payments will be made for documented and eligible expenditures consistent with the approved budget.

Records and Reports: The Subrecipient must provide a quarterly progress report and closeout, or other reports as may be required. All other pertinent Grant records, including accomplishments data, financial records, contracts or other supporting documents, shall be retained for a minimum of three years after closeout of the Grant. If, however, any litigation, claim or audit is started before the expiration of the three year period, then records must be retained for three years after the litigation, claim or audit is resolved.

Operation and Maintenance: Unless otherwise specified in this Agreement, the Subrecipient agrees to be responsible for the operation and maintenance of the facilities, structures or other improvements paid for, in whole or in part, with Grant funds.

RIA Program Procedures: The Subrecipient must comply with all RIA procedures. The approved RIA Application, the Grant Agreement between the Grantee and RIA, any special conditions, Grant Project Management Procedures and any Grant Amendment are incorporated in this Agreement by reference and the Grantee and the Subrecipient agree to comply with such documents.

Uniform Administrative Requirements: The Subrecipient shall adhere to the following administrative requirements:

Financial: The Subrecipient shall comply with generally accepted auditing standards established by the American Institute of Certified Public Accountants (AICPA); or the General Accounting Office (GAO) Standards for Audits of Governmental Organizations, Programs, Activities, and Functions, latest revised edition (Yellow Book).

Procurement: All purchases of goods and services shall be made according to the applicable procurement laws, regulations and guidelines of the Grantee, provided they substantially conform to the Model Procurement Ordinance for Local Governments developed in accordance with the South Carolina Consolidated Procurement Code. If the Grantee has no established procurement laws, regulations and guidelines, “Article 5: Source Selection and Contract Formation” and “Article 9: Construction, Architect-Engineer, Construction Management, and Land Surveying Services” of the South Carolina Consolidated Procurement Code may be used as a guideline for goods and services and construction funded in whole or in part with grant funds.

The Subrecipient is encouraged to provide maximum opportunity to participate in contracts associated with the project by minority business enterprises.

The contract and any amendments or significant change orders must be submitted to the Grantee for submission to the RIA in writing prior to execution.

Contracts: The Subrecipient agrees to incorporate applicable RIA requirements in its construction contracts and to ensure RIA review before executing any construction contracts paid for, in whole or in part, with RIA funds.

Personnel: All contractors and subcontractors engaged in the project shall be fully qualified and properly licensed under State and local laws to perform such services. The Subrecipient shall insure that all prime contractors/subcontractors are bonded and insured in accordance with State requirements.

Audits: The Grantee is responsible for examining and accounting for the expenditure of Grant funds in its first annual audit following completion of the Project. The Subrecipient will make available all records, files and other documents related to the Project, Application or this Agreement to be audited. The Subrecipient agrees that it will reimburse RIA for any unauthorized or unwarranted expenditures disclosed in the audit, if so directed.

State Laws: The Subrecipient is responsible for compliance with all applicable State laws, Executive Orders, and procedures of the RIA program.

Amendments: Any changes to the scope of work or budget of the project, as outlined in this Agreement, must be submitted in writing, in advance, by the Subrecipient to the Grantee and the Grantee must submit to the RIA. Any amendment approved by the Grantee and RIA shall be appended to this Agreement as an amendment.

Budget Changes: Any change in a budget line item (paid in whole or in part with Grant funds) that is greater than ten percent (10%) must be approved in writing by the RIA.

Monitoring: All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the State or Grantee officials at any time during normal business hours, as often as deemed necessary to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted during the review must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient of notice of such deficiency, unless otherwise specified. Failure of the Subrecipient to comply with the above requirements will constitute a violation of this Agreement and may result in sanctions specified in the Grant Agreement.

Liability: The Subrecipient understands and warrants that it will defend any liability arising from this Agreement and that the Grantee accepts no liability, in so far as such funds are expended in accordance with this Agreement. The Subrecipient shall hold harmless and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or non-performance of the services or subject matter called for in this Agreement.

The Subrecipient agrees to repay to the Grantee the amount of Grant funds provided to the Subrecipient by the Grantee that have been advanced and/or expended in violation of this Agreement and/or any State or local laws or policies governing the use of RIA funds. RIA is the sole arbiter in all matters concerning the eligibility of costs and interpretation of the provisions of law, statute, and policy as well as terms and conditions of this Agreement.

Assignability: The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee and RIA.

Suspension and Termination: Suspension or termination of payment to the Subrecipient under this Agreement may occur if the Subrecipient materially fails to comply with any terms of this Agreement, and the Agreement may be terminated for convenience.

South Carolina Ethics, Accountability and Campaign Reform Act of 1991 (the "Act"): All provisions of this Act have been and will be complied with by the parties to this Agreement in regard to actions and expenditures of funds related to the RIA project giving rise to this Agreement.

Discrimination: The Subrecipient shall not, and shall impose on its Contractors the obligation not to, discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin, or disability or familial status. The Subrecipient and any Contractor shall be required to take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, age, sex, national origin, or disability or other protected group as defined by federal or state laws.

South Carolina Illegal Immigration Reform Act: The Subrecipient and any contractors under its supervision are required to comply with the South Carolina Illegal Immigration Reform Act requiring verification of lawful presence in the United States of any alien 18 years of age or older who has applied for state or local public benefits, as defined in 8 U.S.C. Section 1621, or for federal public benefits, as defined in U.S.C. Section 1611.

Interest of Certain Federal or State Officials: No elected or appointed State or federal official shall be allowed any share or part of this Agreement or to any benefit arising from the same.

Conflict of Interest: No member, officer or employee of the Subrecipient, or its designees or agents, no member of the governing body of the locality in which the Project is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Project during his tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or this Agreement. The Subrecipient shall incorporate, or cause to be incorporated, in all of its contracts or subcontracts relating to the Project and this Agreement this provision prohibiting such interest and shall comply with Section 8-13-100 et. seq. of the Code of Laws of South Carolina, 1976, as amended. The Subrecipient shall also generally avoid any action that might result in or create an appearance of conflict.

Applicable Law: This Agreement is made under and shall be construed in accordance with the laws of the State of South Carolina, without regard to conflicts of the laws' principles. The federal and state courts within the State of South Carolina shall have exclusive jurisdiction to adjudicate any disputes arising out of or in connection with this Agreement.

Confidential Information: Any reports, information, data, or other documentation given to or prepared or assembled by the Subrecipient under this Agreement which the Grantee or the RIA requests to be kept confidential shall not be made available to any individual or organization by the Subrecipient without the prior written approval of the RIA; provided, however, should the Subrecipient be required by law, court order or some other form of compulsory process to disclose such information, the Subrecipient will give the Grantee and the RIA timely notice of such request prior to disclosure of the information.

Freedom of Information: The Subrecipient acknowledges and agrees that this Agreement and certain other information related to the Grant Award are or may be subject to public disclosure according to the South Carolina Freedom of Information (FOI) Act and that the Subrecipient, the Grantee and the State are required to comply with the provisions of the FOI Act.

Copyright: No material produced in whole or in part under this Grant shall be subject to copyright in the United States or in any other country. The RIA shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement.

Terms and Conditions: The Grantee reserves the right to add or delete terms and conditions of this Agreement as may be required by revisions and additions to changes in the requirements, regulations, and laws governing the RIA and any other agency of the State.

Severability: If any provision of this Agreement is or becomes illegal, invalid, or unenforceable in any respect, the legality, validity, and enforceability of the other provisions of this Agreement shall not in any way be affected or impaired thereby.

Title of the Subrecipient Official

Signature of the Subrecipient

Date

Title of the Grantee Official

Signature of the Grantee

Date

Authorized Signatures for Payments and Checks

Please print or type the following information.

Block 1: Grantee Name & Address

Grant #: _____
Project Title: _____
Grantee: _____
Address: _____
 _____ **Zip Code:** _____
Phone: _____

Block 2: Processing Method for Payments

Is your organization set up to receive direct deposits from the State Treasurer's Office (STO)? Yes No

If no, please go to www.Treasurer.sc.gov/ach and complete the enrollment form. Until you are enrolled in the electronic payment method, the STO will mail checks to the address listed on the federal Request for Taxpayer Identification Number and Certification Form (W-9) which is on file at the STO. Please contact the STO to update the form if you have had a change in address.

Upon receipt of the check or direct deposit, you should promptly deposit it in the account designated for this grant.

Block 3: Individuals Authorized to Sign RIA Request for Payment Forms and Checks

Please list all individuals who typically sign checks on behalf of the grantee in the spaces below. Additional forms may be used if needed. Only individuals listed in Block 3 are authorized to request funds or sign checks using RIA grant funds. Two authorized signatures are required on all checks using grant funds. Only one authorized signature is required on RIA Request for Payment forms.

A. **Name:** _____
Title: _____
Original Signature: _____

B. **Name:** _____
Title: _____
Original Signature: _____

C. **Name:** _____
Title: _____
Original Signature: _____

D. **Name:** _____
Title: _____
Original Signature: _____

E. **Name:** _____
Title: _____
Original Signature: _____

F. **Name:** _____
Title: _____
Original Signature: _____

Block 4: Authorized Chief Executive Official

I certify that the individuals whose signatures appear in Block 3 are authorized to sign checks and make requests for payment on the grant. I also understand that as the certifying official, I cannot sign checks or make requests for payment.

Name: _____
Title: _____
Address: _____
 _____ **Zip Code:** _____
Phone: _____
Email: _____
Original Signature: _____

Submit to RIA

Return this form to RIA within 30 days of receipt of grant award.

If additional authorized individuals are needed in Block 3, submit additional forms/pages.

If staff changes occur, revise and resubmit this form.

Remember: Only individuals listed in Block 3 are authorized to request funds or sign checks using RIA grant funds. Two signatures are required on checks.

The individual who signs Block 4 must be a Chief Executive Official or other authorized official such as the council chair. The person in Block 4 cannot also be listed in Block 3.



Request for Payment

Grantee: _____
 Project Title: _____
 Contact Person: _____
 Phone #: _____
 E-mail: _____

Grant # _____
 Pay Request # _____
 Final Pay Request: Yes No
 Is payment request: Advance or
 Reimbursement

Grant Funds Requested:

Budget Item	Grant Amount Approved	Amount Previously Requested	Amount Requested this Draw	Remaining Balance
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
Total	\$	\$	\$	\$

- Documentation of expenses are attached (invoices, certified construction draw requests, etc).
- Attach any applicable change orders that have not previously been submitted.

Match/Other Non-Grant Funds Expended to Date:

Budget Item	Source	Amount Committed	Amount Spent to Date
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
Total		\$	\$

The above requested amount is for actual costs incurred by the Grantee and is consistent with the approved budget and scope of work for the SC Rural Infrastructure Authority grant. To the best of my knowledge, the work for which payment is requested has been completed in accordance with the terms and conditions of the RIA Grant Agreement and any approved amendments.

Submitted by:

 Grantee (Authorized Signature)* Title Date

***Notice: The Authorized Signature on this form must be one of the individuals listed in Block 3 of the approved RIA Authorized Signatures for Payments and Checks form. Remember, checks must also be signed by two of the individuals listed in Block 3 of the Authorized Signatures for Payments and Checks form.**

Quarterly Progress Report

Grantee: _____

Grant #: _____

Project Title: _____

Current Grant Award Period: _____ - _____

Report: Jan 1 April 1 July 1 Oct 1 Year _____

Project Milestone	Actual or Estimated Completion Date		
Final Design	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Property/ROW Acquisition	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Permits	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Compliance with Other Funders' Requirements	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Bids Advertised	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Bids Opened	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Construction Notice to Proceed	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Construction Contract Completion	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed
Monitoring and Close Out	Date: _____	<input type="checkbox"/> Estimated	<input type="checkbox"/> Completed

*Design and construction milestones should be provided by the engineer.
 Construction bids should be advertised within 9 months of grant award.
 Projects should be closed within 24 months of grant award. Emergency projects, closed within 12 months.*

Describe specific activities undertaken this quarter: _____

Describe any problems or delays and steps taken to address them: _____

Is technical assistance needed from RIA? Yes No

Describe need: _____

The information contained herein is true to the best of my knowledge.

Signature	Title	Date

Note: Quarterly reports can be accepted electronically, with scanned or typed signatures.

Construction Contract Submission Checklist

Grantee: _____ **Grant #:** _____

Project Title: _____

Contractor: _____ **Contract Amount: \$** _____

Attach the following procurement and contract information for review:
(Information must be submitted to RIA prior to execution of contract.)

Item
<input type="checkbox"/> Bid Package (including Instructions to Bidders, General Conditions and Technical Specifications, Drawings, and all addenda)
<input type="checkbox"/> Evidence of Bid Advertisement
<input type="checkbox"/> Certified Bid Tab and Recommendation to Award (with explanation of any discrepancies in the bids)
<input type="checkbox"/> Winning Bidder's Response and Bid Bond
<input type="checkbox"/> Contract Agreement (complete but unexecuted)
<input type="checkbox"/> Easements/ROW/Property Acquisition Certification
<input type="checkbox"/> Required permits (If not required, explain.)
<input type="checkbox"/> Commitment of additional funds if bids come in over budget
<input type="checkbox"/> Date Notice to Proceed expected to be executed: _____
<p>If the scope of work is different from the approved application scope of work [engineer cost estimate, maps, drawings, etc.] provide explanation of differences. A Grant Amendment may be required for significant changes.</p>

Submitted by:

_____ Name

_____ Title

_____ Date

Change Order Submission Checklist

Change Order #: _____

Grantee: _____ **Previous Contract Amount:** \$ _____

Grant #: _____ **Change Order Amount (+/-):** \$ _____

Contractor: _____ **New Contract Amount:** \$ _____

Submit the following to RIA:

- Contract change order form
- Description of changes to the contract including itemized quantities and costs
- Justification of need for the change order by the engineer, including an explanation of any changes to customers served
- Documentation of how costs were determined, if different from the contract itemized cost rate
- Determination by engineer that such costs are reasonable, if different than the itemized cost
- Map showing location of any new or revised activities
- Commitment letter from Grantee for any costs which exceed the RIA grant or other construction funding commitments previously submitted

If there is a change in project location, the number of customers or if there is a significant change from the scope approved in the Rural Infrastructure Authority (RIA) grant application, a Grant Amendment must be submitted and approved by RIA prior to execution of the change order.

Comments:

Submitted by:

_____ **Name** _____ **Title** _____ **Date**

Grant Amendment Request

Grantee: _____ **Grant #:** _____

Project Title: _____

Original Grant Award Period: _____ - _____ **Grant Amount: \$** _____

Current Grant Period Ending Date: _____

Type of Amendment Request: Grant Period Budget Scope of Work

Grant Amendment Request #: _____

Grant Period Extension

Proposed Grant Period Ending Date: _____

Attach an updated schedule with major project milestones and timeline for completion.

Reason(s) for delay: Funding Permits Design/Survey Easements/ROW/Property acquisition
 Federal program coordination Other: _____

Justification: _____

Budget (Only required if requesting budget change greater than 10%)				
Budget Item:	Approved Amount		Proposed New Amount	
	RIA	Local & Other	RIA	Local & Other
Total				

Justification: (If additional space is needed, use reverse or separate sheet.)

If additional local funds are required as a result of this amendment, provide commitment letter that such funds are currently available and list the source(s).

Scope of Work

Describe proposed Scope of Work change:

Attach map showing current activities as well as the proposed changes in location.

Will the number of customers change? No Yes **If yes, describe:** _____

Provide reasons for the scope of work change and a detailed cost justification:

The information contained herein is true to the best of my knowledge.

Name of Chief Executive Official	Title
Signature of Chief Executive Official	Date

RIA USE ONLY	
Date amendment request received	
Date amendment approved/denied (circle one)	

Close-Out Report and Final Certifications

Grantee:	Grant Number:
Address:	Current Grant Period:
	Project Title:
Contact person:	
Address:	
Phone:	RIA Grant Amount Expended: \$ _____
E-mail:	
ACCOMPLISHMENTS	
Grant Activities: <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Drainage <input type="checkbox"/> Other	Type: <input type="checkbox"/> New Service/Facilities <input type="checkbox"/> Upgrade of Existing Facilities
Number of New Customers Served by this Project: Residential _____ Business _____ <i>(Complete if applicable. Do not list projected customers.)</i>	Number of Total Customers Served by Project: Residential _____ Business _____
Economic Infrastructure Projects:	
Number of Jobs: New _____ Retained ____ <i>(If applicable)</i>	New Capital Investment: \$ _____ <i>(If applicable)</i>
Describe the completed project using quantitative and qualitative measures:	
Describe overall impact on the community or system:	
ATTACHMENTS	
RIA Forms <i>(To be provided by RIA)</i> <i>Return with Close-Out Report and Final Certifications</i> <input type="checkbox"/> Final Expenditure Report <input type="checkbox"/> Grant Award Decrease <i>(If applicable)</i>	Other Documents Required from Grantee: <input type="checkbox"/> Permit to Operate <i>(If applicable)</i> <input type="checkbox"/> Final Waiver of Liens <input type="checkbox"/> Certified "as built"/record drawings, map of improvements completed or engineer's certification

Close-Out Report and Final Certifications	
Grantee:	Grant Number:
Project Title:	

The Grantee hereby certifies that the above referenced Grant has been conducted in compliance with the Grant Agreement and all program requirements, and other applicable state requirements including the following:

- The Grantee has followed Generally Acceptable Governmental Accounting Principles in the accounting of Grant funds and expenditures.
- The Grantee has returned any remaining unexpended Grant funds to the RIA.
- The Grantee has adhered to legally approved local procurement policies or the State Procurement guidelines and has maintained records of the procurement process related to the Project.
- The Grantee acknowledges and hereby agrees that there are no unresolved or outstanding claims in dispute against the Grantee or the RIA arising from any contract related to the Project.
- The Grantee agrees to maintain the facilities, structures, or other improvements paid for in whole or in part with Grant funds. RIA does not have any responsibility to maintain such improvements relating to the Project.
- Any conflicts of interest related to the Project have been properly disclosed and handled according to applicable state law.
- The Grantee has agreed to obtain an audit of grant expenditures that is in conformance with Generally Acceptable Auditing Standards. Any audit findings will be submitted to the RIA upon receipt of the audit report. If the audit identifies any disallowed costs, the Grantee agrees to immediately notify and remit such costs to the RIA.
- The Grantee agrees that it will retain all Project/Grant related records for a minimum of three years after notification in writing by RIA that the grant is closed.

As the authorized representative of the Grantee, I certify that the information contained in the close-out report and the above assurances are true and correct.

Signature: _____
 Chief Executive Official

Date: _____

Printed: _____